

**CLEARSTREAM ENERGY HOLDINGS LP**

and

**CLEARSTREAM ENERGY SERVICES INC.**

and

**EACH OF THE BANKS AND FINANCIAL INSTITUTIONS  
FROM TIME TO TIME PARTIES HERETO**

as Lenders

and

**BANK OF MONTREAL**

as Agent

**FOURTH AMENDED AND RESTATED CREDIT AGREEMENT**

**Dated as of December 31, 2020**

**DENTONS CANADA LLP**

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## FOURTH AMENDED AND RESTATED CREDIT AGREEMENT

This Fourth Amended and Restated Credit Agreement is made as of December 31, 2020 between **CLEARSTREAM ENERGY HOLDINGS LP** (“**ClearStream**”), **CLEARSTREAM ENERGY SERVICES INC.** (“**CESI**”), the Lenders from time to time party to this Agreement, and **BANK OF MONTREAL**, as agent.

**WHEREAS** the Borrower requested that the Lenders establish certain credit facilities in favour of the Borrower;

**AND WHEREAS** the Lenders (other than the Term Lenders) established such credit facilities in favour of the Borrower, subject to the terms and conditions set forth in the credit agreement between the parties hereto (other than the Term Lenders) dated March 23, 2016, as amended pursuant to five amending agreements dated June 24, 2016, August 25, 2016, December 23, 2016, June 30, 2017 and August 25, 2017 (as so amended, the “**Original Credit Agreement**”);

**AND WHEREAS** the Lenders (other than the Term Lenders) amended and restated the Original Credit Agreement pursuant to an amended and restated credit agreement between the parties hereto (other than the Term Lenders) dated as of January 16, 2018 (the “**First Amended Credit Agreement**”);

**AND WHEREAS** the Lenders amended and restated the First Amended Credit Agreement pursuant to a second amended and restated credit agreement between the parties hereto dated as of November 2, 2018, as amended pursuant to a first amending agreement dated as of March 20, 2019, a second amending agreement dated as of April 23, 2019 and a third amending and waiver agreement dated as of May 14, 2019, (as so amended, the “**Second Amended Credit Agreement**”);

**AND WHEREAS** the Lenders amended and restated the Second Amended Credit Agreement pursuant to a third amended and restated credit agreement between the parties hereto dated as of June 26, 2019, as amended pursuant to a first amending agreement dated as of September 10, 2019, a second amending agreement dated as of December 23, 2019, a third amending agreement dated as of March 20, 2020 and a fourth amending agreement dated as of May 29, 2020, (as so amended, the “**Third Amended Credit Agreement**”);

**AND WHEREAS** the parties hereto wish to amend and restate the Third Amended Credit Agreement without novation on the terms and conditions set out in this Agreement;

**NOW THEREFORE**, in consideration of the mutual covenants and agreements set forth herein and for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto), the parties hereto agree that the Third Amended Credit Agreement shall be and is hereby amended and restated without novation as hereinafter set forth.

## ARTICLE 1 INTERPRETATION

### Section 1.1 Definitions

In this Agreement, terms defined in the PPSA shall, to the extent not defined herein, have the meaning set forth therein, and the following terms shall have the following meanings, unless the context expressly or by necessary implication requires otherwise:

**“2019 Interest”** means up to \$8,000,000, being the estimated aggregate amount of interest that was due and payable by CESI to the holders of Senior Secured Debentures on June 30, 2019 and December 31, 2019 pursuant to Section 2.4(2) of the Senior Secured Indenture.

**“2019 Interest Preferred Share”** means a convertible preferred share in the capital of CESI issued by CESI to the holders of Senior Secured Debentures as prepayment of the 2019 Interest.

**“2019 Interest Preferred Share Issuance”** means the issuance of 2019 Interest Preferred Shares by CESI to the holders of Senior Secured Debentures as a prepayment in satisfaction of the 2019 Interest.

**“2019 Interest Prepayment”** means the prepayment of the 2019 Interest by CESI, which was satisfied by completing the 2019 Interest Preferred Shares Issuance.

**“2020 Reorganization”** means the corporate reorganization of CESI and its Subsidiaries described in, and to be completed in accordance with, the MNP Step Plan.

**“ABL Collateral”** means the property and assets, now existing or hereafter acquired by any Credit Party or in which any Credit Party now has or at any time in the future may acquire any right, title or interest, consisting of the following:

- (a) all Receivables (including Unbilled Receivables);
- (b) all Inventory (including any and all returned or repossessed merchandise or other goods which by sale resulted in Receivables) and Other Collateral;
- (c) books, records, ledger cards, files, correspondence, invoices, documents, papers, agreements, electronically recorded data, computer programs, tapes, disks and related software (owned by a Credit Party or in which a Credit Party has an interest, including any and all access codes in respect thereof) that at any time evidence or contain information relating to any Receivables, Inventory, Other Collateral or Policies of a Credit Party or are otherwise necessary in the collection thereof or realization thereupon;
- (d) guarantees, letters of credit, letters of guarantee and encumbrances on real or personal property of any other Person that at any time in any way secure, guarantee or support any Receivables, Inventory, Other Collateral or Policies of a

Credit Party, but only to the extent that the items listed above in this clause (d) secure, guarantee or support ABL Collateral as set forth in this definition;

- (e) chattel paper, instruments and documents of title at any time evidencing or to the extent pertaining to any Receivables, Inventory, Other Collateral or Policies of a Credit Party and all rights of a Credit Party thereunder;
- (f) policies and certificates of insurance to the extent pertaining to the items covered above, including business interruption insurance relating to the Credit Parties' business and credit/receivables insurance, all policies issued by any export insurer to the extent relating to the items covered above, together with any and all schedules and endorsements thereto from time to time and any and all monies and other sums payable to or receivable by a Credit Party from time to time under any of the foregoing, together with any and all present and future rights and benefits of a Credit Party under and, in connection with any of the foregoing and all agreements, permissions, approvals and consents from time to time granted to the Person under any or in connection with any of the foregoing, and all covenants, terms, conditions, representations and warranties made or expressed therein or implied by law in relation thereto, and all rights granted to the Credit Parties under any of the foregoing to make claims, enforce performance, sue for and collect amounts owing, give consents or approvals, make selections, exercise options, participate in arbitration or other legal proceedings and/or give notices and declare defaults thereunder (collectively, the "**Policies**"); and
- (g) proceeds of items listed above (whether or not deposited in a Blocked Account) and all claims of the Credit Parties against third parties for loss of, damage to, or destruction of and payments due or to become due under leases, rentals and hires of, any or all of the items described in clauses (a) to (f) above and proceeds payable under, or unearned premiums with respect to the Policies.

**"Acceleration Notice"** has the meaning set forth in Section 14.2.

**"Acceptable A/R Insurance"** means accounts receivable insurance issued by an insurer and administered by a broker satisfactory to the Agent at all times, in its sole discretion, and in an amount and upon terms satisfactory to the Agent at all times, in its sole discretion, in respect of which the Borrower has assigned in favour of the Agent all proceeds payable thereunder and such insurer has provided a written acknowledgement to the Agent, including an agreement to pay the proceeds of such accounts receivable insurance policy directly to the Agent.

**"Acceptance Fee"** means, with respect to any particular Bankers' Acceptance or BA Equivalent Advance, a fee payable in advance to the Agent, calculated on the face amount of such Bankers' Acceptance at an annual rate (based on a 365 day year) determined in accordance with the Pricing Grid.

**"Accounting Changes"** has the meaning set forth in Section 1.4.

“**Acquired Entity**” means a Person acquired by a Credit Party pursuant to an Acquisition of the type described in clause (a) of the definition of “Acquisition” that is a Permitted Acquisition.

“**Acquisition**” means, with respect to any Person (for purposes of this definition, the “purchaser”), any direct or indirect acquisition, regardless of how accomplished or effected (including pursuant to an amalgamation, merger, arrangement, business combination or other form of corporate reorganization), of (a) any other Person (including any purchase or acquisition of such number of the issued and outstanding Equity Interests in such other Person such that such other Person becomes a Subsidiary of the purchaser or of any of its Affiliates) or (b) of all or substantially all of the property and undertaking of any other Person.

“**Acquisition Term Loan**” means the \$10,000,000 Term Loan advanced in a single Advance to the Borrower by the Term Lenders under the Term Facility.

“**Advance**” means an extension of credit to the Borrower under either Facility, whether by way of Prime Rate Loan, Term Loan, purchase of a Bankers’ Acceptance, BA Equivalent Advance, issuance of a Letter of Credit or MasterCard Advance.

“**AECOM Acquisition**” means the acquisition by the Borrower of certain assets of the production services division of AECOM Canada from certain of its Affiliates pursuant to the AECOM Purchase Agreement.

“**AECOM Contingent Obligations**” means the Contingent Obligations pursuant to the guarantees listed under the heading ‘Contingent Obligations’ in Schedule 1.1(A) and executed and delivered in connection with the AECOM Facility Debt pursuant to the AECOM Facility Agreement.

“**AECOM Deposit Account**” means an account established by ClearStream Energy Services LP, solely to hold proceeds of AECOM Priority Collateral.

“**AECOM Facility Agreement**” means collectively: (i) the letter of offer dated as of December 31, 2020 and accepted on December 31, 2020 among ClearStream Equipment LP and ClearStream Energy Equipment Ltd., as co-borrowers, and the AECOM Facility Lender, as lender respecting Loan Account No. 205230-01 as amended, restated, supplemented or otherwise modified from time to time; and (ii) the letter of offer dated as of December 31, 2020 and accepted on December 31, 2020 among ClearStream Real Estate LP and ClearStream Energy Equipment Ltd., as co-borrowers, and the AECOM Facility Lender, as lender respecting Loan Account No. 205219-01 as amended, restated, supplemented or otherwise modified from time to time;

“**AECOM Facility Debt**” means, without duplication, (i) Debt incurred and outstanding under and pursuant to the AECOM Facility Agreement in an aggregate principal amount not to exceed \$18,000,000 and (ii) the AECOM Contingent Obligations.

“**AECOM Facility Lender**” means Business Development Bank of Canada.

“**AECOM Preferred Shares**” means convertible preferred shares in the capital of CESI issued by CESI, the net proceeds of which were applied by ClearStream solely to fund costs relating to the AECOM Acquisition.

“**AECOM Priority Collateral**” means that portion of the assets, rights, property, undertaking and interests in the real and personal property, now existing or hereafter acquired by the BDC Borrowers and/or CESI or in which the BDC Borrowers and/or CESI now has or at any time in the future may acquire any right, title or interest, consisting of the following:

- (a) the real property and equipment listed in Schedule 1.1(B) existing on the date hereof (the “**Specified BDC Priority Collateral**”);
- (b) chattel paper, instruments and documents of title at any time evidencing or to the extent pertaining to any Specified BDC Priority Collateral of the BDC Borrowers and/or CESI and all rights of such Credit Party thereunder; and
- (c) proceeds of items listed in clauses (a) and (b) above and proceeds payable under any insurance policies to the extent pertaining to any Specified BDC Priority Collateral, in each case, whether or not deposited in the AECOM Deposit Account, and all claims of the BDC Borrowers and/or CESI against third parties for loss of, damage to, or destruction of and payments due or to become due under leases, rentals and hires of, any or all of the items described in clauses (a) and (b) above.

“**AECOM Purchase Agreement**” means the asset purchase agreement dated as of April 29, 2019 between Aecom Production Services Ltd., Aecom Energy Services Ltd., and Aecom Oilfield Transportation ULC, as vendors, and ClearStream, as purchaser, as amended by an amending agreement made as of the 26<sup>th</sup> day of June, 2019.

“**Affiliate**” has the meaning set forth in National Instrument 45-106 - Prospectus Exemptions.

“**Agent**” means BMO in its capacity as administrative agent for the Lenders, and includes any successor appointed pursuant to the terms of the Agreement.

“**Agent’s Account Branch**” means the branch of the Agent which is initially situated at 250 Yonge Street, 11<sup>th</sup> Floor, Toronto, Ontario, M5B 2L7 or such other branch in Canada as the Agent may from time to time notify the Borrower.

“**Aggregate Revolver Outstandings**” means, with respect to the Revolving Facility, as of any particular date of determination, the aggregate of (a) the aggregate outstanding Principal Amount of all Prime Rate Loans (other than Prime Rate Loans under the Swingline Facility), plus (b) the aggregate face amount of all outstanding Bankers’ Acceptances, plus (c) one hundred percent (100%) of the aggregate undrawn face amount of all outstanding Letters of Credit, plus (d) the aggregate amount of any unpaid reimbursement obligations in respect of Letters of Credit, plus (e) the Swingline Commitment (which, for greater certainty, accounts for MasterCard Advances), plus (f)

the aggregate amount of all negative balances in all disbursement accounts of the Credit Parties maintained with Bank of Montreal at such time, plus (g) all other Obligations owing pursuant to or in connection with Bank Products (excluding MasterCard Agreements).

“**Agreement**” means, this agreement, including all Schedules and Exhibits hereto, together with all amendments, renewals, supplements, variations, restatements, amendments and restatements or replacements hereof from time to time hereafter, made in accordance with the terms hereof.

“**AML Legislation**” has the meaning set forth in Section 17.13.

“**Applicable Law**” means, in respect of any Person, property, transaction, event or other matter, as applicable, all laws, rules, statutes, regulations, treaties, orders, judgments and decrees and all official directives, rules, guidelines, orders, policies and other requirements of any Governmental Authority (whether or not having the force of law) (collectively the “**Law**”) relating or applicable to such Person, property, transaction, event or other matter, and shall also include any interpretation of the Law or any part of the Law by any Person having jurisdiction over it or charged with its administration or interpretation.

“**Applicable Margin**” means the Prime Rate Margin, Letter of Credit Fee, standby commitment fee or Acceptance Fee, as applicable.

“**Application**” has the meaning set forth in Section 5.1(10).

“**Audited Financial Statements**” means in respect of any particular Fiscal Year of CESI, the audited consolidated balance sheet of CESI as at the last day of such Fiscal Year, and the related audited consolidated income statements, cash flow statements and changes in shareholders’ equity for such Fiscal Year, and the accompanying notes thereto, all prepared in accordance with GAAP and setting forth in each case, in comparative form, figures for the corresponding period in the preceding Fiscal Year, all in reasonable detail and fairly presenting in all material respects the financial position and the results of operations of CESI (on a consolidated basis) as at the date thereof and for the Fiscal Year, then ended, certified by the Auditor.

“**Auditor**” means Ernst & Young LLP or any other independent chartered accounting firm selected by the Borrower that is of national standing or is otherwise acceptable to the Agent.

“**Authorized Representative**” means, with respect to any Person that is not an individual, the chief executive officer, chief financial officer or president of such Person (or an individual in a similar capacity with respect to a Person that is not a corporate entity), or any individual authorized by such Person’s authorizing resolutions.

“**Availability Block**” means a Reserve established by the Agent from time to time in an amount to be determined by the Agent in its sole discretion.

“**BA Advance**” means, subject to the last sentence of Section 4.3(a), an advance of credit made in Canadian Dollars to the Borrower made by way of Bankers’ Acceptance.

“**BA Branch of Account**” has the meaning set forth in Section 4.1(1).

“**BA Equivalent Advance**” has the meaning set forth in Section 4.3(a).

“**BA Interest Period**” has the meaning set forth in Section 4.2(2).

“**BA Lender**” means any Revolving Lender which is a bank named on Schedule I, Schedule II or Schedule III to the *Bank Act* (Canada) and which stamps and accepts Drafts as Bankers’ Acceptances.

“**Bank Products**” means (a) all Hedging Arrangements, and (b) all products and services provided under or in connection with any agreement or other Credit Document executed by a Credit Party in respect of Cash Management Obligations, (c) all MasterCard Agreements, and (d) to the extent not otherwise included in the foregoing, all other types of banking products (including, for greater certainty, any disbursement accounts), services and facilities (other than Letters of Credit) that are provided to a Credit Party by Bank of Montreal, or any Person that was an Affiliate of Bank of Montreal at the time at which such Person agreed to provide such services, products or facilities.

“**Bankers’ Acceptance**” means, a bill of exchange subject to the *Bills of Exchange Act* (Canada) or a depository note as defined in, and issued in accordance with, the *Depository Bills and Notes Act* (Canada), denominated in Canadian Dollars, drawn by the Borrower and accepted by a Revolving Lender.

“**Basis Point**” means one one-hundredth of one percent (.01%).

“**BDC Borrowers**” means, prior to completion of steps 27, 31 and 32 described in the MNP Step Plan, ClearStream and ClearStream Energy Holdings Inc. and immediately following completion of steps 27, 31 and 32 described in the MNP Step Plan, ClearStream Real Estate LP, ClearStream Equipment LP and ClearStream Energy Equipment Ltd.

“**Blocked Account**” means any Deposit Account subject to a Blocked Account Agreement.

“**Blocked Account Agreement**” means an agreement entered into by a Credit Party, the Agent and a bank or financial institution which maintains one or more Deposit Accounts for such Credit Party, whether or not dated a date before, on or after the Original Closing Date and includes all amendments, restatements, supplements or other modifications to such agreements from time to time.

“**Borrower**” means, prior to completion of step 14(c) described in the MNP Step Plan, ClearStream and immediately following completion of step 14(c) described in the MNP Step Plan, CESI.

**“Borrower’s Account”** means an account (other than a Blocked Account, any Term Deposit Account or any AECOM Deposit Account) of the Borrower maintained at Bank of Montreal at First Canadian Place, Toronto, Ontario or at any other branch of Bank of Montreal, into which proceeds of Advances may be deposited or credited.

**“Borrowing Base”** means, as of any particular date of determination, an amount equal to the aggregate of the following (without duplication):

- (a) 85% (or such lesser or greater percentage as the Agent may determine appropriate at any time) of the Value of all Eligible Receivables other than Insured Receivables, Investment Grade Receivables or Unbilled Receivables; plus
- (b) 90% (or such lesser or greater percentage as the Agent may determine appropriate at any time) of the Value of all Insured Receivables that are not Unbilled Receivables; plus
- (c) 90% (or such lesser or greater percentage as the Agent may determine appropriate at any time) of the Value of all Investment Grade Receivables that have an original invoice date of not more than 90 days prior to such date of determination and that are not Insured Receivables or Unbilled Receivables; plus
- (d) 75% (or such lesser or greater percentage as the Agent may determine appropriate at any time) of the Value of all Investment Grade Receivables that have an original invoice date that is equal to or greater than 90 days and less than 120 days prior to such date of determination and that are not Insured Receivables or Unbilled Receivables; plus
- (e) the lesser of (i) 75% (or such lesser or greater percentage as the Agent may determine appropriate at any time) of the Value of all Unbilled Receivables and (ii) the lesser of (A) \$7,500,000 and (B) an amount equal to 25% of the sum of the amounts calculated pursuant to clauses (a), (b), (c), (d) and (e)(i) of this definition of “Borrowing Base”; plus
- (f) the lesser of:
  - (i) 50% (or such lesser or greater percentage as the Agent may determine appropriate at any time) of:
    - (A) the cost (on a first in, first out basis) of Eligible Inventory minus
    - (B) an amount equal to the aggregate amount owing to unpaid suppliers having a right to exercise unpaid seller’s thirty (30) day goods rights to repossess goods pursuant to Section 81.1 of the *Bankruptcy and Insolvency Act* (Canada) or any other applicable statute of any jurisdiction pertaining to rights of unpaid suppliers to repossess goods (including, for greater certainty, revendication rights), and

- (ii) \$3,000,000; minus
- (g) the Availability Block; minus
- (h) all other Reserves (other than Priority Payables); minus
- (i) all Priority Payables.

“**Borrowing Base Certificate**” means a Certificate executed by an Authorized Representative of the Borrower, substantially in the form of Exhibit “A”.

“**Business Day**” means any day on which the Agent is open for over-the-counter business in Toronto, Ontario and Calgary, Alberta, excluding Saturday, Sunday and any other day that is a statutory holiday in Toronto, Ontario or Calgary, Alberta.

“**Business Plan**” means, with respect to any particular Fiscal Year, the business plan of the Borrower for such Fiscal Year (including any amendments thereto from time to time approved by the Agent), prepared on a consolidated basis for the Borrower, and including a projected income statement, balance sheet, Borrowing Base, statement of cash flows, listing of proposed Capital Expenditures, and financial covenant calculations for such Fiscal Year on a month-to-month basis, and such other information as is requested by the Agent, all in form and content satisfactory to the Agent.

“**Canadian Dollars**”, “**\$**”, “**Cdn\$**” and “**C\$**” each refer to the lawful money of Canada.

“**Canadian Pension Plans**” means all plans or arrangements that are considered to be pension plans (for the purposes of any applicable pension benefits or tax statute or regulation in Canada) established, maintained or contributed to by a Credit Party for any of its employees or former employees.

“**Canso**” means Canso Investment Counsel, Ltd.

“**Capital Expenditure**” means, for any particular period, with respect to any particular Person, any expenditure made by such Person during such period in connection with the acquisition, development, improvement, construction, repair, replacement or maintenance of any capital or fixed asset of such Person that is required in accordance with GAAP to be capitalized on the balance sheet of such Person.

“**Capital Lease**” means, with respect to any Person, any lease or other arrangement relating to property or assets that is required in accordance with GAAP to be listed as a capital lease on the balance sheet of such Person.

“**Cash Equivalents**” means:

- (a) marketable direct obligations issued by, or unconditionally guaranteed by, the Government of Canada or any Province thereof or the Government of the United States or any agency or instrumentality of any of them, and backed by the full

faith and credit of Canada or any Province thereof or the United States, as the case may be, in each case maturing within one year from the date of acquisition;

- (b) term deposits, certificates of deposit or overnight bank deposits having maturities of one year or less from the date of acquisition issued by any commercial bank organized under the laws of Canada and listed on Schedule 1 of the *Bank Act* (Canada) with a long-term debt rating of at least A-1+ or the equivalent thereof by Standard and Poor's or at least P-1 or the equivalent thereof by Moody's or at least R-1 or the equivalent thereof by DBRS; and
- (c) commercial paper of an issuer rated at least A-1+ or the equivalent thereof by Standard and Poor's or at least P-1 or the equivalent thereof by Moody's or at least R-1 or the equivalent thereof by DBRS, and in each case maturing within six months from the date of acquisition.

**“Cash Management Obligations”** means any direct or indirect liability, contingent or otherwise, of any Credit Party in respect of cash management services, (including treasury, depository, overdraft, controlled disbursement, credit, electronic funds transfer, automatic clearing house transfer and other cash management arrangements), including obligations for the payment of fees, interest, charges, expenses, legal fees and disbursements relating to any of the foregoing.

**“CBA Model Provisions”** means the model credit agreement provisions attached hereto as Exhibit “I”.

**“CDOR Rate”** means, on any particular date of determination, the annual rate of interest that is the arithmetic average of the rates posted by all listed institutions for bankers' acceptances for the relevant period, as displayed and identified as such on the Reuters Screen CDOR Page (as defined at such time of determination in the International Swap Dealer Association, Inc. definitions) at approximately 10:00 a.m. on such date or, if such date is not a Business Day, on the immediately preceding Business Day (as adjusted by the Agent after 10:00 a.m. to reflect any error in any posted rate or in the posted average annual rate); and if such rate does not appear at such time on such Reuters Screen CDOR Page, then the CDOR Rate shall be the rate quoted at such time on such date by the Agent for banker's acceptances accepted by a Revolving Lender.

**“Certificate”** means, with respect to any Person that is not an individual, a written certificate signed on behalf of such Person by an Authorized Representative and, with respect to a Person that is an individual, a written certificate signed by such individual.

**“CESI”** has the meaning set forth in the preamble and includes its successors and permitted assigns.

**“Change of Control”** means the acquisition by any Person, or group of Persons acting jointly or in concert, of voting control of or direction over an aggregate of 50% or more of the outstanding Equity Interests issued by CESI.

**“CIP Regulations”** has the meaning set forth in Section 16.15.

“**Claim**” means any claim, demand, cause of action, suit, proceeding (whether administrative, judicial or otherwise), governmental investigation or arbitration (whether or not purportedly on behalf of any Credit Party) at law or in equity, or before or by any Governmental Authority, domestic or foreign of any nature whatsoever, whether pending or, to the knowledge of any Credit Party, threatened against or affecting any Credit Party or any property of a Credit Party.

“**ClearStream**” has the meaning set forth in the preamble and includes its successors and permitted assigns.

“**Clearwater Restructuring and Liquidation**” means the disposition of the assets relating to the fabrication business of Clearwater Fabrication LP and Clearwater Fabrication GP Inc. and the discontinuance of their respective businesses and operations.

“**Closing Date**” means the date hereof.

“**Closing Documents**” has the meaning set forth in Section 13.1(27)(a)(i)

“**Collateral Access Agreement**” means a landlord waiver, bailee letter, non-disturbance agreement, acknowledgement agreement or similar agreement executed by any lessor, mortgagee, warehouseman, processor, consignee or other Person (other than a Credit Party) in possession of, having a lien upon, or having rights or interests in any location at which ABL Collateral or Equipment of a Credit Party is situate, in favour of and for the benefit of the Agent, its successors and assigns, and in form and content satisfactory to the Agent.

“**Commitment**” means the Revolving Commitment, the Swingline Commitment and/or the Term Facility Commitment, as applicable, and a Lender’s Commitment means, at any time, the relevant amount designated as such and set forth opposite such Lender’s name in Exhibit “J”.

“**Compliance Certificate**” means a Certificate executed by an Authorized Representative of CESI and the Borrower substantially in the form of Exhibit “B”.

“**Confirmation Agreement**” means the thirteenth confirmation agreement dated as of the Closing Date among the Borrower, certain Guarantors and the Agent.

“**Contingent Obligations**” means, as to any Person, without duplication, any direct or indirect liability, contingent or otherwise, of that Person: (a) with respect to any indebtedness, lease, dividend or other obligation of another Person if the primary purpose or intent of the Person incurring such liability, or the primary effect thereof, is to provide assurance to the obligee of such liability that such liability will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such liability will be protected (in whole or in part) against Loss with respect thereto; (b) with respect to any letter of credit issued for the account of that Person or as to which that Person is otherwise liable for reimbursement of drawings; (c) under any Hedging Arrangement; (d) to make, take-or-pay or similar payments if required regardless of non-performance by any other party or parties to an agreement; (e) for the obligations of

another through any agreement to purchase, repurchase or otherwise acquire any obligation of another Person or any property constituting security therefor, or to provide funds for the payment or discharge of such obligation; and (f) to maintain the solvency, financial condition or any balance sheet item or level of income of another Person. The amount of any Contingent Obligation (other than in respect of a Hedging Arrangement) shall be equal to the amount of the obligation so guaranteed or otherwise supported or, if not a fixed and determined amount, the maximum amount so guaranteed or supported. The amount of any Contingent Obligation in respect of a Hedging Arrangement shall equal the mark to market position for such Hedging Arrangement.

**“Contract Period”** means, with respect to any particular Bankers’ Acceptance or Letter of Credit, the period selected by the Borrower in accordance with the terms of this Agreement during which such Bankers’ Acceptance or Letter of Credit will be outstanding, including for greater certainty any BA Interest Period.

**“Contractual Obligation”** means, with respect to any Person, any provision of any indenture, mortgage, deed of trust, contract, undertaking, agreement or other instrument (including any Equity Interest issued by such Person) to which such Person is a party or by which, whether in writing or orally, such Person or any of its assets is bound or to which such Person or any of its assets is subject.

**“Control”** (including, with correlative meanings, the terms **“Controlling,” “Controlled by”** and **“under common Control with”**) means, with respect to any Person, the possession, directly or indirectly, of the power to direct, or to cause the direction of, the management and policies of such Person, whether through the ability to exercise voting power over any Equity Interests, whether by contract or otherwise.

**“Conversion”** means the conversion of an outstanding Advance, or a portion of an outstanding Advance, into another type of Advance under Section 2.10 and **“Convert”** and **“Converted”** has corresponding meaning.

**“Conversion Date”** means the Business Day on which a Conversion occurs.

**“Conversion Notice”** has the meaning set forth in Section 2.10.

**“Credit Documents”** means, collectively, this Agreement, the Security Documents, each Letter of Credit Application, any certificate completed and executed by a Credit Party and all other Certificates, instruments, agreements and other documents (including without limitation any agreements pertaining to Bank Products) delivered, or to be delivered, to the Agent under or in connection with this Agreement or the Facilities provided for herein and any fee letters entered into between the Borrower and the Agent in respect of fees payable to the Agent or any Lender.

**“Credit Parties”** means, collectively, the Borrower and each Guarantor.

**“Currency Due”** has the meaning set forth in Section 17.12.

**“DBNA”** means the *Depository Bills and Notes Act* (Canada).

“**Debt**” means, with respect to any Person, without duplication, the aggregate of the following amounts, at the date of determination:

- (a) all indebtedness of such Person for borrowed money;
- (b) all obligations of such Person for the deferred purchase price of Property or services where such purchase price is deferred for six months or longer and represented by a note or other evidence of indebtedness;
- (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments;
- (d) all obligations of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (whether or not the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property);
- (e) all obligations of such Person as lessee under leases that have been or should be, in accordance with GAAP, recorded as Capital Leases;
- (f) all reimbursement obligations, contingent or otherwise, of such Person under acceptance, letter of credit and similar facilities;
- (g) all net obligations of such Person to purchase, redeem, retire, defease or otherwise acquire for value any Equity Interests of such Person, provided that all conditions to such purchase, retirement, defeasance or acquisition have been satisfied;
- (h) all Contingent Obligations of such Person;
- (i) all Debt of another Person referred to in clauses (a) through (h) above secured by (or for which the holder of such Debt has an existing right, contingent or otherwise, to be secured by) any Lien on property (including accounts and contract rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such Debt;
- (j) the amount of all trade payables and other accrued liabilities to the extent the same are past the due date thereof by more than 180 days (except to the extent that such payables and liabilities are being properly contested by such Person with the Person to whom same are owing);
- (k) the net present value of all remaining payment obligations under leases that have been or should be, in accordance with GAAP, recorded as Operating Leases; and
- (l) any other obligation arising under arrangements or agreements that, in substance, provide financing to such Person.

**“Debt Service”** means, for any period in respect of CESI (on a consolidated basis), determined in accordance with GAAP, the sum of (a) Interest Expense paid or payable and Interest Expense accrued (but only to the extent not paid or payable), in each case, during such period less, to the extent approved by the Agent in writing in its sole discretion, (i) any Interest Expense satisfied by way of a non-cash payment in kind, and (ii) any Interest Expense accrued pursuant to the Senior Secured Indenture during such period for which payment has been deferred beyond the Revolving Facility Maturity Date; (b) all principal repayments of Debt (other than Capital Leases), whether or not scheduled, during such period; (c) all repayments (whether or not scheduled) of Capital Leases during such period; and (d) all amounts paid or payable (only upon determination that such amount is required to be, or otherwise will be, paid in cash) in cash in connection with (i) the Preferred Shares, the 2019 Interest Preferred Shares, the UWO Preferred Shares and the AECOM Preferred Shares and (ii) any other shares which, by their terms, or upon the happening of any event, mature or are mandatorily redeemable or are redeemable at the option of the holder. Notwithstanding the foregoing, principal repayments and Interest Expense payments of the AECOM Facility Debt and the Senior Secured Debt permitted under this Agreement and paid from the proceeds of the sale of property, plant and equipment assets of the Credit Parties that do not constitute ABL Collateral shall not be included in the calculation of Debt Service.

**“Default”** means any event, circumstance or omission that, after the giving of notice, the passage of time or the failure to remedy such event, circumstance or omission within a period of time, would constitute an Event of Default.

**“Default Rate”** means a fluctuating per annum interest rate at all times equal to the sum of (a) the otherwise applicable Interest Rate plus (b) the Applicable Margin plus (c) two percentage points per annum. Each Default Rate shall be adjusted simultaneously with any change in the applicable Interest Rate. In addition, the Default Rate shall result in an increase in the Letter of Credit Fee by two percentage points per annum.

**“Deposit Account”** means any bank, deposit or similar account maintained by a Credit Party in which cash proceeds or Cash Equivalents are deposited or held other than the Term Deposit Account and the AECOM Deposit Account.

**“Discount Proceeds”** means, for any Bankers’ Acceptance issued hereunder, an amount calculated on the applicable Drawdown Date (which is rounded to the nearest full cent) as follows:

$$\frac{1}{1 + (\text{DR}(\text{CP}))} \times \text{BA}$$

365

Where:

- (a) BA = the face amount of the Bankers’ Acceptance;
- (b) DR = the Discount Rate applicable to the BA expressed as a decimal;

- (c) CP = the applicable Contract Period in days; and
- (d) the product of  $(DR(CP/365))$  is rounded up or down to the fifth decimal place and .000005 is rounded up.

**“Discount Rate”** means as of any particular date of determination, with respect to the issuance of any Bankers’ Acceptance, the CDOR Rate quoted as of such date for bankers’ acceptances with the same maturity date.

**“Disposition”** means any sale, assignment, transfer or conveyance of any property or of any right, title or interest in or to any property, and the verb “Dispose” shall have a correlative meaning.

**“Distribution”** means, with respect to any Person, any payment, directly or indirectly, by such Person (a) of any dividends on any of its Equity Interests (including, for greater certainty, the Preferred Shares, the 2019 Interest Preferred Shares, the UWO Preferred Shares and the AECOM Preferred Shares), other than dividends payable in shares; (b) on account of, or for the purpose of setting apart any property for a sinking or other analogous fund for, the purchase, redemption, retirement or other acquisition of any of its Equity Interests; (c) of any other distribution or payment (other than distributions or payments payable in the form of additional Equity Interests) in respect of any of its Equity Interests (including, for greater certainty, the Preferred Shares, the 2019 Interest Preferred Shares, the UWO Preferred Shares and the AECOM Preferred Shares); (d) of any principal of or interest or premium or fees (including by way of redemption) on or related to any (i) Debt (including any amount in respect of a sinking or analogous fund or defeasance fund), but for greater certainty not including the Term Loans, ranking, at law or by contract, in right of payment subordinate to any liability of such Person under the Credit Documents, (ii) the Senior Secured Debt, and (ii) the AECOM Facility Debt; or (e) of any management, consulting or similar fee or compensation or any bonus payment or comparable payment, or by way of gift or other gratuity, to any Affiliate, of such Person or to any employee, director, officer or management of such Person or Affiliate of such Person, or to any Person not dealing at arm’s length with such first Person or Affiliate, director or officer.

**“Draft”** means in relation to a Bankers’ Acceptance, a depository bill within the meaning of the DBNA in the form required by a BA Lender, in Canadian Dollars and drawn by the Borrower in connection with a BA Advance.

**“Drawdown Date”** means any Business Day on which an Advance is made or is deemed to be made.

**“Drawdown Notice”** has the meaning set forth in Section 2.5(1).

**“EBITDA”** means, with reference to any particular Person for any particular period, Net Income of such Person for such period plus, without duplication, all amounts deducted in arriving at such Net Income amount in respect of (a) Interest Expense of such Person for such period, plus (b) income taxes paid by such Person for such period, plus (c) all amounts properly charged for depreciation of fixed assets and amortization of intangible

assets during such period on the books of such Person, plus or minus (d) to the extent agreed upon by (x) at any time prior to the termination and cancellation of the Revolving Facility and the indefeasible repayment in full of all Obligations owing in connection therewith, the Revolving Lenders in their sole discretion, and (y) at any time on or following the termination and cancellation of the Revolving Facility and the indefeasible repayment in full of all Obligations owing in connection therewith, the Term Lenders in their sole discretion, any adjustments for non cash gains or losses, extraordinary gains or losses and non-recurring items, in each case, of such Person for such period.

For the purposes of calculating EBITDA for any period during Fiscal Year 2020, (X) the following amounts shall be included as add-backs in the calculation of EBITDA: (a) amounts on account of costs accrued with respect to any long term employee incentive programs (which, for greater certainty, shall exclude any employee bonus programs) that will not be paid in cash prior to March 31, 2021, (b) any onerous lease costs accrued during such period with respect to the Sturgeon County Lease or in connection with the Clearwater Restructuring and Liquidation up to a maximum aggregate amount of \$2,747,000 during such Fiscal Year, (c) the costs related to the discontinued operations of Quantum Murray LP, the QM Subsidiaries and any QM Assets up to a maximum aggregate amount of \$100,000 during such Fiscal Year, and (d) any costs and expenses with respect to any legal, accounting or advisory services incurred with respect to the refinancing of the Revolving Facility up to a maximum aggregate amount of \$425,000 during such Fiscal Year, and (Y) all non-cash IFRS 16 adjustments made during such Fiscal Year shall be deducted from the calculation of EBITDA.

**“Eligible Inventory”** means all Inventory of ClearStream Wear Technologies LP that the Agent determines to be “Eligible Inventory” and, without limiting the discretion of the Agent with respect to such determination, the Agent may include Inventory that satisfies all of the following criteria:

- (a) such Inventory is raw materials or finished goods;
- (b) such Inventory meets the quality or other standards imposed by any applicable Governmental Authority;
- (c) such Inventory is not obsolete, slow moving (which includes Inventory that has been held for sale (which for greater certainty excludes raw materials) for more than 3 months), used or otherwise unsaleable or not usable, and is of good and merchantable quality free from any defects that might adversely affect the market value thereof;
- (d) such Inventory is subject to the Agent’s perfected, first priority Lien and no other Liens (other than Permitted Liens);
- (e) such Inventory is in the possession of ClearStream Wear Technologies LP and is located at a Permitted Collateral Location;
- (f) such Inventory is not packaging or supplies;

- (g) such Inventory is not rental in nature;
- (h) such Inventory is not consigned;
- (i) such Inventory is not work in progress; and
- (j) such Inventory is related to ClearStream Wear Technologies LP's wear technology division.

**“Eligible Receivable”** means any Receivable arising from the sale of Inventory or performance of a service in the ordinary course of a Credit Party's business, which the Agent determines to be an “Eligible Receivable”, and, without limiting the discretion of the Agent to make such determination, the Agent may include Receivables that satisfy all of the following criteria:

- (a) such Receivable is subject to the Agent's perfected, first priority Lien and no other Liens;
- (b) such Receivable is evidenced by an invoice or other documentary evidence satisfactory to the Agent;
- (c) such Receivable does not arise out of a sale made by the relevant Credit Party to an Affiliate of the relevant Credit Party or to a Person controlled by an Affiliate of the relevant Credit Party;
- (d) such Receivable is not unpaid more than 90 days after the original invoice date or more than 60 days after the invoice due date, unless such Receivable is owing from an Investment Grade Account Debtor of any of its Affiliates;
- (e) to the extent such Receivable is owing from an Investment Grade Account Debtor or any of its Affiliates, such Receivable is not unpaid more than 120 days after the original invoice date or more than 60 days after the invoice due date;
- (f) such Receivable is not owing from an account debtor or any of its Affiliates in respect of which 25% or more of the aggregate amount of all Receivables (excluding, for greater certainty, Unbilled Receivables) from such account debtor and its Affiliates are unpaid more than 60 days after the invoice due dates or 90 days after the original invoice dates, unless such account debtor is a Specified Account Debtor or an Investment Grade Account Debtor;
- (g) to the extent such Receivable is owing (i) from a Specified Account Debtor or any of its Affiliates, no more than 50% of the aggregate amount of all Receivables (excluding, for greater certainty, Unbilled Receivables) from such Specified Account Debtor and its Affiliates are unpaid more than 60 days after the invoice due dates or 90 days after the original invoice dates, or (ii) from an Investment Grade Account Debtor or any of its Affiliates, no more than 50% of the aggregate amount of all Receivables (excluding, for greater certainty, Unbilled Receivables)

from such Investment Grade Account Debtor and its Affiliates are unpaid more than 60 days after the invoice due dates or 90 days after the original invoice dates;

- (h) the portion of such Receivable that would not cause the aggregate amount of all Eligible Receivables (excluding, for greater certainty, Unbilled Receivables) owing:
  - (i) by any Specified Account Debtor and its Affiliates to exceed 30% of all Eligible Receivables;
  - (ii) by any one of the following account debtors and its Affiliates to exceed 25% of all Eligible Receivables:
    - (A) Husky Energy Inc.;
    - (B) Imperial Oil; or
    - (C) Shell Canada Limited; and
  - (iii) by any account debtor (other than those account debtors referenced in paragraphs (i) - (ii) above) and its Affiliates to exceed 20% of all Eligible Receivables;
- (i) no covenant, representation or warranty contained in this Agreement with respect to such Receivable has been breached;
- (j) the account debtor in respect of such Receivable is not a creditor or supplier of the applicable Credit Party;
- (k) the account debtor has not disputed its liability or made any claim with respect to any other Receivable due from such account debtor to any Credit Party;
- (l) none of the following events has occurred and is continuing with respect to the applicable account debtor for such Receivable: (i) death or judicial declaration of incompetency of an account debtor who is an individual; (ii) the filing by or against the account debtor of a request, proposal, notice of intent to file a proposal, proceeding, action or petition for liquidation, reorganization, arrangement, adjustment of debts, adjudication as a bankrupt, winding-up, or other relief under any bankruptcy, insolvency, restructuring, liquidation, winding-up, corporate or similar laws of Canada, any province or territory thereof, or any foreign jurisdiction, now or hereafter in effect; (iii) the making of a general assignment by the account debtor for the benefit of creditors; (iv) the appointment of a receiver, trustee, monitor, custodian, liquidator, administrator, interim receiver, receiver and manager, monitor or trustee or other official for the account debtor or for any of the assets of the account debtor, including "trustee" under the *Bankruptcy and Insolvency Act*, (Canada); (v) the institution by or against the account debtor of any other type of insolvency, liquidation, bankruptcy, winding-up or reorganization proceeding (under the laws of Canada, the United States of

America or otherwise, including applicable corporate statutes, the *Bankruptcy and Insolvency Act* (Canada) and the *Companies' Creditors Arrangement Act* (Canada) or of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against, or winding up of affairs of, the account debtor; (vi) the sale, assignment, or transfer of all or any material part of the assets of the account debtor; (vii) the non-payment generally by the account debtor of its debts as they become due; (viii) the failure, cessation of the business of the account debtor as a going concern or insolvency of the account debtor; or (ix) the account debtor calling a meeting of its creditors or indicating its consent to any proceeding or action hereinabove described;

- (m) the sale giving rise to such Receivable was not made to an account debtor outside Canada, unless the sale is on letter of credit, guarantee or acceptance terms, in each case, as applicable, acceptable to the Agent;
- (n) shipment of the merchandise or the rendition of services has been completed and the sale giving rise to such Receivable was not made on a bill and hold, guaranteed sale, sale-and-return, sale on approval, consignment or any other repurchase or return basis and is not evidenced by chattel paper unless endorsed to the Agent and the account debtor's obligation to pay is absolute and is not otherwise conditional upon completion of any further performance under any contract, agreement or arrangement or fulfillment of any condition or other matter;
- (o) the Agent has not determined, in its sole discretion that the prospect of collection of such Receivable is impaired or that such Receivable is uncollectible or collection is otherwise doubtful or that such Receivable may not be paid by reason of the account debtor's financial position;
- (p) the Receivable does not represent progress billings;
- (q) the account debtor is not the Government of Canada nor, any province thereof, or any department, agency or instrumentality thereof, unless the applicable Credit Party has complied with all Applicable Laws, statutes (including the *Financial Administration Act* (Canada)), regulations and ordinances in order to duly and validly assign such Receivable to the Agent;
- (r) the goods giving rise to such Receivable have been shipped and delivered to and accepted by the customer or the services giving rise to such Receivable have been performed by the relevant Credit Party and accepted by the customer and the Receivable otherwise represents a final sale;
- (s) such Receivable does not represent amounts that have been rebilled or that are subject to any credit notes, allowances, or rebates, including volume rebates;
- (t) such Receivable is not subject to any offset, deduction (other than ordinary course volume rebates deducted as provided in paragraph (s) above), defence, or any cause asserted for non-payment of any Receivables, including any dispute, claim,

complaint, set-off, defence, contra account or counterclaim (real or asserted), lawful or unlawful, whether arising from or relating to a sale of merchandise by a Credit Party or any other transaction or occurrence, or otherwise contingent in any respect or for any reason;

- (u) the applicable Credit Party has not made any agreement with such account debtor for any extension of the time for payment or any deduction from payment, except for discounts or allowances made in the ordinary course of business for prompt payment, all of which discounts or allowances are reflected in the calculation of the face value of each applicable invoice related to such Receivable;
- (v) no return, rejection or repossession of the merchandise has occurred;
- (w) such Receivable is payable to the applicable Credit Party and is not subject to any right, claim or interest of any Person, other than the Agent; and
- (x) such Receivable does not arise from any of the Material Contracts (as defined in the AECOM Purchase Agreement) for which consents to the assignment of any such Material Contract of work associated with any such Material Contract has not been obtained pursuant to Section 5.3(a) of the AECOM Purchase Agreement.

**“Employee Benefit Plan”** means, with respect to any Credit Party, any employee benefit plan of any nature or kind whatsoever that is maintained by or contributed to, or required to be contributed to, by such Credit Party (excluding any statutory employee benefit plans with respect to which such Credit Party is required to comply, including the Canada Pension Plan and the Quebec Pension Plan).

**“Equipment”** means all equipment and any other machinery, tools, fixtures, trade fixtures and all other goods now or hereafter used or usable in connection with the fabrication or manufacturing of Inventory, together with all parts, accessories and attachments relating to any of the foregoing.

**“Equity Interest”** means any shares, interests, participations or other rights to participate in the voting or equity ownership of a corporation and any equivalent ownership interests in any Person that is not a corporation, including any partnership or membership interest, and any warrant, option or other right to acquire or that is convertible into any ownership interest, and any other arrangement or right to, directly or indirectly, acquire any of the foregoing.

**“Event of Default”** has the meaning set forth in Section 14.1.

**“Excess Amount”** has the meaning set forth in Section 9.4(1).

**“Excess Availability”** means, as at any particular date of determination, (a) the lesser of the Revolving Commitment and the Borrowing Base, minus (b) the Aggregate Revolver Outstandings.

**“Excess Cash Flow Payment Date”** has the meaning set forth in the definition of “Permitted Distributions”.

**“Excluded Subsidiaries”** means, at any particular time, the Subsidiaries of CESI listed in Schedule 18.3, which Schedule may be updated from time to time with the Agent’s prior written consent.

**“Excluded Taxes”** means, (a) any Taxes imposed on or measured by a Lender’s net income and franchise taxes imposed on it by the jurisdiction (or any political subdivision thereof) under the laws of which such Lender is organized or in which its principal office or applicable lending office is located, and (b) any branch tax, branch profits tax or any similar tax imposed by any jurisdiction.

**“Facility”** means the Revolving Facility or the Term Facility, as applicable, and **“Facilities”** means both of them, collectively.

**“Fee Letter”** means the fee letter dated on or about the Closing Date among the Agent, CESI and the Borrower.

**“Financial Statements”** means Audited Financial Statements or Unaudited Financial Statements, as applicable.

**“First Amended Credit Agreement”** has the meaning set forth in the recitals hereto.

**“Fiscal Quarter”** means, with respect to any particular Fiscal Year, a period of three months ending on March 31, June 30, September 30 or December 31, as applicable.

**“Fiscal Year”** means the twelve month period ending on the last day of December in any year.

**“Fixed Charge Coverage Ratio”** means: (a) for purposes of clauses (f)(ii), (f)(iii), (v) or (i) of the definition of “Permitted Distributions” and clause (h) of the definition of “Permitted Investments”, in respect of the Fiscal Quarter ended prior to any Excess Cash Flow Payment Date, any Voluntary Senior Debenture Payment Date or any Preferred Share Payment Date, as the case may be, (i) EBITDA of CESI (on a consolidated basis) for such Fiscal Quarter, less cash Taxes paid, Distributions of the type described in paragraph (a), (b) or (c) of the defined term “Distribution” (other than payments made in connection with the Preferred Shares, the 2019 Interest Preferred Share, the UWO Preferred Shares and the AECOM Preferred Shares) and Unfunded Capital Expenditures incurred by CESI (on a consolidated basis) during such Fiscal Quarter, divided by (ii) Debt Service of CESI (on a consolidated basis) for such Fiscal Quarter calculated on a pro forma basis as if the amount required to be paid on such Excess Cash Flow Payment Date, such Voluntary Senior Debenture Payment Date or such Preferred Share Payment Date, as applicable, in accordance with the Senior Secured Indenture, was paid during such Fiscal Quarter; and (b) for any other purpose, in respect of any particular period being tested (i) EBITDA of CESI (on a consolidated basis) for such period, less cash Taxes paid, Distributions of the type described in paragraph (a), (b) or (c) of the defined term “Distribution” (other than payments made in connection with the Preferred Shares,

the 2019 Interest Preferred Shares, the UWO Preferred Shares and the AECOM Preferred Shares) and Unfunded Capital Expenditures incurred by CESI (on a consolidated basis) during such period, divided by (ii) Debt Service of CESI (on a consolidated basis) for such period.

“**GAAP**” means those accounting principles which are recognized as being generally accepted in Canada as in effect from time to time, as published in the Handbook of the Canadian Institute of Chartered Accountants and (subject to Section 1.4 hereof) as used by the Borrower and CESI in the preparation of their respective Financial Statements.

“**Governmental Approvals**” means, at any particular date of determination with respect to any Person or its property assets, all licenses, permits, consents, authorizations and approvals required from Governmental Authorities for the conduct of such Person’s business on such date.

“**Governmental Authority**” means the government of any nation, province, territory, municipality, state or other political subdivision of any nation and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing, exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

“**Guarantees**” means all guarantees held from time to time by or on behalf of the Agent guaranteeing or intending to guarantee, directly or indirectly, repayment of all, or any part of, the Obligations and as the same may be further amended, restated, replaced or modified from time to time.

“**Guarantor**” means, prior to the 2020 Reorganization, CESI and each of those Subsidiaries of CESI identified on Part I of Schedule 12.1(m) as a guarantor, and following the 2020 Reorganization, each of those Subsidiaries of CESI identified on Part II of Schedule 12.1(m) as a guarantor, and in each case each other Subsidiary of any Credit Party that may from time to time become a Guarantor in accordance with Section 10.4 or Section 13.2(21), and their successors and assigns.

“**Hazardous Substance**” means any substance, product, waste, pollutant, material, chemical, contaminant, dangerous goods, constituent or other material listed, regulated, or addressed under any Requirements of Environmental Law, including, without limitation, asbestos, petroleum, polychlorinated biphenyls and any “hazardous waste” as defined by the *Resource Conservation and Recovery Act*, as amended.

“**Hedging Arrangement**” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any

options to enter into any of the foregoing), whether or not any such transactions is governed by a or subject to any master agreement; and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any international foreign exchange master agreement, or any other master agreement, including any such obligations or liabilities under any such master agreement and its related schedules, in each case for the purpose of hedging the Person's exposure to interest or exchange rates, or loan, credit exchange, security or currency valuations.

**“Honour Date”** means, with respect to any particular Letter of Credit, the date on which the Borrower receives notice of any payment by a Revolving Lender under such Letter of Credit.

**“Indemnified Person”** means the Agent, each Lender, its Affiliates, agents, representatives, attorneys any receiver or receiver and manager appointed by the Agent, and the respective officers, directors and employees of each of the foregoing Persons.

**“Injection Term Loan”** means the \$2,000,000 Term Loan to advanced to the Borrower by the Term Lenders under the Term Facility on the Third Amended Closing Date.

**“Insured Receivables”** means, at any particular time of determination, any Eligible Receivable that is insured at such time by Acceptable A/R Insurance.

**“Intellectual Property”** means all trade or brand names, business names, trade-marks (including logos), trade-mark registrations and applications, brand names, service marks, service mark registrations and applications, copyrights, copyright registrations and applications, issued patents and pending applications and other patent rights, industrial design registrations, pending applications and other industrial design rights, trade secrets, proprietary information and know-how, equipment and parts lists and descriptions, instruction manuals, inventions, inventors' notes, research data, blue prints, drawings and designs, formulae, processes, technology and other intellectual property, together with all registered user agreements, technology transfer agreements and other agreements or instruments relating to any of the foregoing.

**“Intercreditor Agreement”** means the third amended and restated intercreditor agreement dated and effective as of the completion of the 2020 Reorganization between the Agent for and on behalf of the Lenders, the Senior Secured Trustee, the AECOM Facility Lender, the Credit Parties and the other parties thereto from time to time, and as the same may be amended, restated, replaced or modified from time to time.

**“Interest Expense”** means, with reference to any period for any Person, the sum of all interest charges (including imputed interest charges with respect to Capital Leases, interest and all amortization of debt discount and expense, discount and financing fees, commissions, discounts, the interest or time value of money component of costs related to factoring or securitizing receivables or monetizing inventory and other fees, charges payable with respect to letters of credit and bankers' acceptance financing, standby

commitment fees and net payments (if any) pursuant to Hedging Arrangements involving interest) of such Person for such period determined in accordance with GAAP.

“**Interest Rate**” means each or any of the interest rates referred to herein, including without limitation the Default Rate and the interest rates set out in Section 3.1.

“**Inventory**” means all inventory and any other goods which are held for sale or lease or are to be furnished under contracts of service or consumed in a Credit Party’s business, all raw materials, work in process and finished goods, all goods that are returned or repossessed, and all materials and supplies of every kind and nature used or usable in connection with the acquisition, manufacture, processing, supply, servicing, storing, packing, shipping, advertising, selling, leasing or furnishing of the foregoing, and any other components or parts thereof.

“**Investment**” in any Person means any direct or indirect (a) acquisition of any shares or other Equity Interests of such Person other than Permitted Acquisitions, (b) loans or advances to such Person out of the ordinary course of business, or an acquisition of any debt instruments issued by such Person (other than by way of redemption), or (c) any open market purchases or issuer bids for any outstanding Senior Secured Debentures. The amount of any Investment shall be the original cost of such Investment. In determining the amount of any Investment involving a transfer of any asset other than cash, such asset shall be valued at its fair market value at the time of such transfer. For greater certainty, the conversion of any Debt of one Credit Party held by another Credit Party into equity of the debtor Credit Party shall not be an Investment for purposes hereof.

“**Investment Grade Account Debtor**” means an account debtor that is (a) ranked by Standard and Poor’s at BBB- or higher, or an equivalent rating from Moody’s or (b) approved in writing by the Borrower and the Agent as an investment grade account debtor.

“**Investment Grade Receivable**” means an Eligible Receivable from an Investment Grade Account Debtor.

“**Issuance Date**” means the date on which a Letter of Credit is issued pursuant to this Agreement.

“**Issuing Bank**” has the meaning ascribed to such term in the CBA Model Provisions. On the date hereof, the Issuing Bank is Bank of Montreal.

“**ITA**” means the *Income Tax Act* (Canada) and any successor thereto, and any regulations promulgated thereunder.

“**Landlord**” means any Person that is leasing a Real Property Interest to a Credit Party pursuant to a Lease between such Person and such Credit Party, whether oral or in writing.

“**Law**” has the meaning set forth in the definition of “**Applicable Law**”.

**“Lease”** means, any lease of real or personal property in respect of which any Credit Party has a leasehold interest, as lessee.

**“Lenders”** means the Persons from time to time party to this Agreement as lenders and designated in Exhibit “J” annexed hereto as a “Revolving Lender”, an “Issuing Bank”, a “Swingline Lender” or a “Term Lender” and reference to **“Lender”** in this Agreement may mean that Lender in its capacity as a “Revolving Lender”, “Issuing Bank”, “Swingline Lender” or “Term Lender”, as the case may be, if the context so requires, and **“Lender”** means any one of the Lenders and includes each of their successors and permitted assigns.

**“Letter of Credit”** means any commercial or standby letter of credit or letter of guarantee issued by the Issuing Bank at the request of the Borrower pursuant to and in accordance with Article 5.

**“Letter of Credit Application”** means an application and agreement for the issuance or amendment of a Letter of Credit, executed by the Borrower in the form required by the Issuing Bank at the time such application is made.

**“Letter of Credit Fee”** means, as of any particular date of determination in respect of any particular Letter of Credit, the rate per annum payable to the Agent on such date in respect of such Letter of Credit, as determined in accordance with the Pricing Grid, and calculated and payable quarterly in advance.

**“Lien”** means any lien (whether statutory or otherwise), mortgage, pledge, deposit arrangement, preference, priority assignment, security interest, deed of trust, hypothecation, charge or other encumbrance or any arrangement of any kind or nature whatsoever having the effect of security for the payment of any obligation (including any agreement to grant any of the foregoing, any conditional sale or other title retention agreement, and any lease in the nature thereof, easement, right of way, or Capital Lease.

**“Loss”** means any loss whatsoever, whether direct or indirect, including expenses, costs, damages, judgments, penalties, awards, assessments, fines and any and all fees, disbursements and expenses of counsel, experts and consultants.

**“Majority Lenders”** means:

- (i) prior to the termination and cancellation of the Revolving Facility and the Revolving Commitments hereunder, the Revolving Lenders holding at least 66⅔% of the Revolving Commitments under the Revolving Facility, or
- (ii) following a termination of all Revolving Commitments hereunder, the Revolving Lenders holding at least 66⅔% of the Advances made under the Revolving Facility, or
- (iii) following the termination and cancellation of the Revolving Facility and the Revolving Commitments hereunder and the indefeasible repayment in full of all Obligations owing in connection therewith, the Term Lenders; provided that, for greater certainty, notwithstanding the indefeasible repayment in full of the aggregate principal

amount of all outstanding Advances made under the Revolving Facility, all accrued and unpaid interest thereon and any fees payable and owing in connection therewith, the Revolving Commitments shall be deemed to remain outstanding only for purposes of this "Majority Lenders" definition until CESI and the Borrower have complied with all of the terms and conditions of Section 13.1(25).

**"Mandatory Borrowing"** has the meaning set forth in Section 9.5.

**"MasterCard Advance"** has the meaning set forth in Section 6.1.

**"MasterCard Agreement"** means, as of any particular date of determination, Bank of Montreal's standard form documents relating to the operation of MasterCard accounts in effect at such time.

**"MasterCard Limit"** means \$750,000.

**"Material Adverse Change"** means a change that results in, or would reasonably be expected to result in, a Material Adverse Effect.

**"Material Adverse Effect"** means (a) a material adverse effect on the business, operations, properties, assets, condition (financial or otherwise) or prospects of the Credit Parties taken as a whole, (b)(i) an adverse effect on the legality, validity or enforceability of any of the Credit Documents, or (ii) an adverse effect on the validity, enforceability, perfection or priority of any Lien created under any of the Security, (c) an adverse effect on the right, entitlement or ability of the Credit Parties to pay or perform any of their debts, liabilities or obligations under any of the Credit Documents, which could reasonably be considered material, having regard to the Credit Parties as a whole, or (d) an adverse effect on the right, entitlement or ability of the Agent or the Lenders to enforce their rights or remedies under any of the Credit Documents.

**"Material Contracts"** means, collectively, each written agreement, arrangement or understanding entered into by a Credit Party, which if terminated or expired could reasonably be expected to have a Material Adverse Effect.

**"Maturity Date"** means the Revolving Facility Maturity Date or the Term Facility Maturity Date, as the context may require.

**"Minority Holder"** means any Person other than a Credit Party that, directly or indirectly, owns any Equity Interest in any Credit Party (other than CESI) that is 50% or less of the outstanding voting Equity Interests of such Credit Party.

**"Moody's"** means Moody's Investor Services, Inc.

**"MNP Step Plan"** means the reorganization instruction letter dated as of December 17, 2020 prepared by MNP LLP, a copy of which has been provided to the Agent and the Lenders.

**“Net Income”** means, for any period, with respect to any Person, the net income of such Person, for such period, all as determined in accordance with GAAP.

**“Non BA Lender”** means a Revolving Lender which does not or is not permitted by Applicable Law or by customary market practices to stamp, for purposes of subsequent sale, or accept, a Draft or Bankers’ Acceptance (as applicable).

**“Notional Bankers’ Acceptances”** has the meaning set forth in Section 4.3(a).

**“Obligations”** means, with respect to any Credit Party, all of its present and future indebtedness liabilities and obligations of any kind, nature or description whatsoever (whether direct or indirect, joint or several, absolute or contingent matured or unmatured, in any currency and whether as principal debtor, guarantor, surety or otherwise to the Agent or any Lender pursuant to or in connection with any of the Credit Documents (including without limitation MasterCard Agreements and other Bank Products).

**“Operating Lease”** means a lease that would be considered to be an operating lease in accordance with GAAP.

**“Original Closing Date”** means March 23, 2016.

**“Original Credit Agreement”** has the meaning set forth in the recitals hereto.

**“Other Collateral”** means, with respect to any Credit Party, (a) all now owned and hereafter acquired Blocked Accounts and any other Deposit Accounts of the Credit Party maintained with any bank or financial institutions into which the proceeds of any ABL Collateral are deposited, or are required by the Credit Documents to be deposited, and all cash and other monies and properties of the Credit Party in the possession or control of the Agent or a Lender; provided, however, that “Other Collateral” shall also include proceeds of ABL Collateral deposited in a Term Deposit Account or an AECOM Deposit Account, if any; (b) all investments and reinvestments (however evidenced) of amounts from time to time credited to any of the aforementioned accounts; and (c) all interest, dividends, distributions and other proceeds payable on or with respect to (i) such investments and reinvestments, and (ii) such accounts. Notwithstanding the foregoing, “Other Collateral” shall exclude all proceeds of Term Priority Collateral and AECOM Priority Collateral (including all interest, dividends, distributions and other proceeds payable on or with respect to Term Priority Collateral and AECOM Priority Collateral, as applicable).

**“Permitted Acquisition”** means an Acquisition by any Credit Party that is consented to by the Major Lenders and that satisfies the following criteria:

- (a) immediately prior to, and after giving effect thereto, no Default or Event of Default shall have occurred and be continuing or would result therefrom;
- (b) the assets acquired pursuant to such Acquisition or the Acquired Entity and its assets, as applicable, shall be located in Canada, or such other country as may be approved by the Agent on its sole discretion, such Acquisition shall be

consummated, in all material respects, in accordance with all Applicable Laws and in conformity with all applicable Governmental Approvals and the consummation of such Acquisition shall not subject the Agent to any additional regulatory or other requirements;

- (c) simultaneously with the consummation of such Acquisition, the Agent shall be granted a first priority, perfected Lien in any ABL Collateral acquired pursuant to such Acquisition or owned by the Acquired Entity, as applicable, which shall be in form and substance satisfactory to the Agent;
- (d) the Borrower and CESI shall be in compliance with the financial covenants set forth in Section 13.3 on a pro forma basis after giving effect to such Acquisition, as of the last day of the Twelve Month Period or Fiscal Year, as applicable, most recently ended;
- (e) the Borrower shall have delivered to the Agent at least ten (10) Business Days prior to such Acquisition, a Compliance Certificate evidencing compliance with Section 13.3 as required under paragraph (d) above, together with all relevant financial information with respect to the assets acquired pursuant to such Acquisition or the Acquired Entity, as applicable, including, without limitation, the aggregate consideration for such Acquisition and any other information required to demonstrate compliance with Section 13.3;
- (f) the assets acquired pursuant to such Acquisition or the Acquired Entity, as applicable, shall be in the same business or lines of business in which the Credit Parties were engaged as of the Original Closing Date;
- (g) such Acquisition shall have been approved by the board of directors or other governing body or controlling Person of the Person from whom assets are acquired or of the Acquired Entity, as applicable; and
- (h) on or prior to the date of such Acquisition, the Agent shall have received copies of the acquisition agreement and all material agreements and instruments related to such Acquisition, and all opinions, certificates, lien search results and other Credit Documents in respect thereof and all registrations, recordings and filings of or with respect to any Security which in the opinion of counsel to the Agent are necessary to render effective the Liens intended to be created thereby, all as reasonably requested by the Agent.

**“Permitted Collateral Location”** means a location set forth on Schedule 12.1(t) or a location approved by the Agent in writing.

**“Permitted Debt”** means:

- (a) Debt under or in connection with this Agreement;
- (b) Debt in respect of: (i) Purchase Money Security Interests and Capital Leases (excluding, for greater certainty, the Sturgeon County Lease to the extent that, at

the time of determination, the Sturgeon County Lease is or should be, in accordance with GAAP, recorded as a Capital Lease in an outstanding principal amount not to exceed \$20,000,000 in the aggregate at any time and (ii) the aggregate net present value of the remaining payment obligations in respect of the Sturgeon County Lease, and any Contingent Obligations in connection therewith, not to exceed (unless otherwise approved by the Majority Lenders) \$25,000,000 in the aggregate at any time;

- (c) the net present value of remaining payment obligations under leases (other than the Sturgeon County Lease), including all Contingent Obligations in connection with same, that have been or should be, in accordance with GAAP, recorded as Operating Leases in an aggregate amount not to exceed \$35,000,000;
- (d) Debt owed by one Credit Party to another Credit Party;
- (e) Debt in existence as of the Closing Date as set out in Schedule 12.1(x) which is unsecured;
- (f) Debt of CESI under the Senior Secured Indenture and any guarantees thereof in an aggregate principal amount not to exceed \$98,888,000, plus (i) the aggregate principal amount of additional senior secured debentures issued by CESI under the Senior Secured Indenture to satisfy its obligation to pay the aggregate amount of interest required to be paid thereunder on or prior to December 31, 2020 in an aggregate amount not to exceed \$8,100,000, and (ii) any additional Debt incurred on account of a Permitted Refinancing in connection with all such Debt of CESI under the Senior Secured Indenture;
- (g) Debt assumed in connection with a Permitted Acquisition to the extent approved in writing by the Agent;
- (h) reimbursement obligations, contingent or otherwise, under or in connection with letters of credit or letters of guarantee issued in the ordinary course of business in an aggregate face amount not exceeding \$1,000,000 and customary indemnity obligations in respect thereof, provided that any letters of credit or letters of guarantee referred to in this clause (h) shall have been cash collateralized by a Permitted Lien (if secured) and no Advance has been made hereunder for the purpose of providing such cash collateral;
- (i) Subordinated Debt;
- (j) Debt of the type referred to in clause (g) of the definition of "Debt", provided that any payment of cash required to be made in connection with such Debt is permitted under clause (f)(vii) of the definition of "Permitted Distributions";
- (k) the AECOM Facility Debt provided, for greater certainty, that such Debt is subject to the Intercreditor Agreement;

- (l) the Deferred Consideration (as defined in the UWO Purchase Agreement) up to a maximum amount of \$1,300,000;
- (m) the Earn-Out Consideration (as defined in the UWO Purchase Agreement) up to a maximum amount of \$2,000,000; and
- (n) other Debt consented to in writing by the Agent from time to time.

**“Permitted Distributions”** means, with respect to any Person, each of the following, provided that (i) with the exception of clauses (a)(i), (a)(ii), (b), (j) and (k) below, no Default or Event of Default exists at the time of the proposed Distribution or would exist immediately after such proposed Distribution, and (ii) with the exception of clauses (a)(i), (a)(ii), (b), (e), (h), (j) and (k) below, the Fixed Charge Coverage Ratio for the most recent Twelve Month Period ending on the last day of the previous calendar month was greater than 1:00:1:00:

- (a) all cash amounts and dividends paid by any Credit Party to (i) any other Credit Party or (ii) any Minority Holder of a Credit Party on a pro rata basis based on the percentage of Equity Interests held by such Minority Holder in the applicable Credit Party, in each case in the ordinary course of business;
- (b) salaries, benefits and bonuses and other compensation paid to employees and officers and consultants in the ordinary course of business (which for greater certain shall not include any non-recurring, extraordinary fees to employees or officers);
- (c) routine and reasonable fees paid to directors or Persons performing similar functions in the ordinary course of business;
- (d) payments of principal and interest on Debt owed by one Credit Party to another Credit Party provided that such Debt is permitted pursuant to item (d) of Permitted Debt;
- (e) severance payments paid to any employee or officer in an amount not to exceed \$3,000,000 in the aggregate between January 1, 2020 and the Revolving Facility Maturity Date;
- (f) any payment by CESI of:
  - (i) interest required to be paid on or prior to December 31, 2020 pursuant to the Senior Secured Indenture in an aggregate amount not to exceed \$8,100,000 provided that the obligation to pay such interest is satisfied by the issuance of senior secured debentures by CESI under the Senior Secured Indenture;
  - (ii) principal and interest required in connection with redemptions of Senior Secured Debentures required pursuant to Section 2.4(4)(b)(i) and Section 2.4(4)(c)(i) of the Senior Secured Indenture (and distributions, directly or

indirectly, to CESI for the purpose of enabling CESI to make such payment) provided that (A) the Fixed Charge Coverage Ratio for the Fiscal Quarter ended prior to the date on which CESI intends to make such payment in accordance with the Senior Secured Indenture (an “**Excess Cash Flow Payment Date**”), as calculated in the Compliance Certificate delivered to, and agreed to by, the Agent pursuant to Section 13.1(5) in respect of such Fiscal Quarter, is greater than 1.25:1.00, and (B) Excess Availability on such Excess Cash Flow Payment Date, after such payment is made, will be greater than twelve percent (12%) of the Revolving Commitment on such date;

- (iii) principal, interest and premium (if any) payable in connection with voluntary redemptions of Senior Secured Debentures pursuant to Section 2.4(3) of the Senior Secured Indenture (and Distributions, directly or indirectly, to CESI for the sole purpose of enabling CESI to make such payment), provided that (A) the Fixed Charge Coverage Ratio for the Fiscal Quarter ended prior to the date on which such payment is required to be made in accordance with the Senior Secured Indenture, as calculated in the Compliance Certificate delivered to, and agreed to by, the Agent pursuant to Section 13.1(5) in respect of such Fiscal Quarter, was greater than 1.25:1.00, and (B) Excess Availability on such Voluntary Senior Redemption Payment Date, after such payment is made, will be greater than twelve percent (12%) of the Revolving Commitment on such date;
- (iv) principal and interest required pursuant to Section 2.4(4)(a), Section 2.4(4)(b)(ii)(A) and Section 2.4(4)(c)(ii)(A) of the Senior Secured Indenture; and
- (v) [Intentionally deleted.]
- (vi) [Intentionally deleted.]
- (vii) cash in respect of dividends declared on the Preferred Shares, the 2019 Interest Preferred Shares, the UWO Preferred Shares, the AECOM Preferred Shares and/or cash in respect of redemptions of Preferred Shares, 2019 Interest Preferred Shares, UWO Preferred Shares or AECOM Preferred Shares (and distributions, directly or indirectly, to CESI for the purpose of enabling CESI to make such payment) provided that (A) the Fixed Charge Coverage Ratio for the Fiscal Quarter ended prior to the date on which CESI intends to make such payment (a “**Preferred Share Payment Date**”), as calculated in the Compliance Certificate delivered to, and agreed to by, the Agent pursuant to Section 13.1(5) in respect of such Fiscal Quarter, is greater than 1.25:1.00, (B) Excess Availability on such Preferred Share Payment Date, after such payment is made, will be greater than twelve percent (12%) of the Revolving Commitment on such date, and (C) the Borrower has provided 30 days advance written notice to the Agent;

provided that no payment permitted pursuant to this clause (f) may be made with ABL Collateral or proceeds of ABL Collateral, and provided further that (x) no payment permitted pursuant to clause (f)(ii), (f)(iii) or (f)(vii) shall be made until CESI has maintained a Fixed Charge Coverage Ratio greater than 1.25:1.00 for the Twelve Month Period preceding such payment, and (y) no Preferred Shares, 2019 Interest Preferred Shares, UWO Preferred Shares or AECOM Preferred Shares may be exchanged, redeemed or retracted for cash until all Debt outstanding under or in connection with the Senior Secured Indenture has been paid in full;

- (g) payments of principal and interest on Subordinated Debt but only to the extent expressly permitted pursuant to the applicable subordination agreement between the lender thereunder and the Agent;
- (h) regularly scheduled payments of principal and interest owed by ClearStream Real Estate LP, ClearStream Equipment LP and ClearStream Equipment Ltd. to the AECOM Facility Lender pursuant to the AECOM Facility Debt; and
- (i) any payment by ClearStream Real Estate LP, ClearStream Equipment LP and ClearStream Equipment Ltd. of principal, interest and premium payable in connection with voluntary prepayments pursuant to the AECOM Facility Agreement, provided that (A) the Fixed Charge Coverage Ratio for the Fiscal Quarter ended prior to the date on which such prepayment is required to be made in accordance with the AECOM Facility Agreement, as calculated in the Compliance Certificate delivered to, and agreed to by, the Agent pursuant to Section 13.1(5) in respect of such Fiscal Quarter, was greater than 1.25:1.00, (B) Excess Availability on such prepayment date, after such payment is made, will be greater than twelve percent (12%) of the Revolving Commitment on such date, and (C) no prepayment permitted pursuant to this clause (i) may be made with ABL Collateral or proceeds of ABL Collateral, and provided further that no payment permitted pursuant to clause (i) shall be made until the Borrower and CESI have maintained a Fixed Charge Coverage Ratio greater than 1.25:1.00 for the Twelve Month Period preceding such payment.

**“Permitted Investments”** means any of the following, provided that, (i) with the exception of clauses (b), (e), (f), (h) and (i) below, no Default or Event of Default exists at the time of a proposed Investment or would exist immediately after making such proposed Investment, and (ii) the Fixed Charge Coverage Ratio for the most recent Twelve Month Period ending on the last day of the previous calendar month was greater than 1:00:1:00:

- (a) Cash Equivalents;
- (b) Investments made by one Credit Party in another Credit Party or acquired by one Credit Party from another Credit Party;
- (c) [intentionally deleted];

- (d) [intentionally deleted];
- (e) accounts receivable created or acquired, and deposits, prepayments and other credits to suppliers made, in the ordinary course of business;
- (f) utility, workers' compensation and other similar deposits made in the ordinary course of business;
- (g) prepaid expenses and lease or performance deposits made in the ordinary course of business;
- (h) Investments consisting of open market purchases or issuer bids for any outstanding Senior Secured Debentures, provided that (A) the Fixed Charge Coverage Ratio for the Fiscal Quarter ended prior to the date on which payment in respect of such open market purchases or issuer bids is required to be made, as calculated in the Compliance Certificate delivered to, and agreed to by, the Agent pursuant to Section 13.1(5) in respect of such Fiscal Quarter, was greater than 1.25:1.00, (B) Excess Availability on such Voluntary Senior Redemption Payment Date, after such payment is made, will be greater than twelve percent (12%) of the Revolving Commitment on such date, and (C) such Senior Secured Debentures are immediately cancelled thereafter; provided further that no Investment pursuant to this paragraph (h) may be made until the Borrower and CESI have maintained a Fixed Charge Coverage Ratio greater than 1.25:1.00 for the Twelve Month Period preceding such Investment;
- (i) Investments made by a Credit Party in Quantum Murray LP, Quantum Murray GP Inc. or Quantum Murray Facilities LP from and after the date of this Agreement up to a maximum aggregate amount of \$300,000 to be used by Quantum Murray LP, Quantum Murray GP Inc. or Quantum Murray Facilities LP solely for the purpose of paying: (i) the defence of the QM Litigation, and (ii) the payment of any judgment or settlement in respect of the QM Litigation; and
- (j) Investments in connection with Permitted Acquisitions that have been approved by the Majority Lenders.

**“Permitted Liens”** means, with respect to any Person, the following:

- (a) liens for Taxes not yet due or for which instalments have been paid based on reasonable estimates pending final assessments, or if due, the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person for which reasonable reserves under GAAP are maintained, provided that, there is no material risk, as determined by the Agent in its sole discretion, that enforcement proceedings in respect of any such Lien will result in the seizure or sale of any ABL Collateral;
- (b) undetermined or inchoate liens, rights of distress and charges incidental to current operations which have not at such time been filed or exercised and of which the Agent has not been given notice, or which relate to obligations not due or payable,

or if due, the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person, provided that, there is no material risk, as determined by the Agent in its sole discretion, that enforcement proceedings in respect of any such Lien will result in the seizure or sale of any ABL Collateral;

- (c) reservations, limitations, provisos and conditions expressed in any original grants from the Crown or other grants of real or immovable property, or interests therein, which do not materially affect the use of the affected land for the purpose for which it is used by that Person;
- (d) zoning, land use and building restrictions, by-laws, regulations and ordinances of federal, provincial, state, municipal and other Governmental Authorities, licences, easements, rights-of-way, servitudes and rights in the nature of easements (including, without limiting the generality of the foregoing, licences, easements, rights-of-way and rights in the nature of easements for railways, sidewalks, public ways, sewers, drains, gas, steam and water mains or electric light and power, or telephone and telegraph conduits, poles, wires and cables) which do not materially impair the use of the affected land for the purpose for which it is used by that Person;
- (e) title defects, encroachments or irregularities or other matters relating to title which are of a minor nature and which in the aggregate do not materially impair the use of the affected property for the purpose for which it is used by that Person;
- (f) the right reserved to or vested in any municipality or governmental or other public authority by the terms of any lease, licence, franchise, grant or permit acquired by that Person or by any statutory provision to terminate any such lease, licence, franchise, grant or permit, or to require annual or other payments as a condition to the continuance thereof, provided that any such right does not, in the opinion of the Agent, materially impair the value thereof or materially interfere with the business of the Credit Parties;
- (g) the Lien resulting from the deposit of cash or securities in connection with contracts, tenders or expropriation proceedings, or to secure workmen's compensation, employment insurance, surety or appeal bonds, costs of litigation when required by law, liens and claims incidental to current construction, mechanics', warehousemen's, carriers' and other similar liens, and public, statutory and other like obligations incurred in the ordinary course of business;
- (h) security given to a public utility or any municipality or Governmental Authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of its business;
- (i) servicing agreements, development agreements, site plan agreements, and other agreements with Governmental Authorities pertaining to the use or development of any of the assets of the Person, provided that same do not reduce the value of the assets of the Person or materially interfere with the use of such assets in the

operation of the business of the Person including, without limitation, any obligations to deliver letters of credit and other security as required;

- (j) applicable municipal and other governmental restrictions, including municipal by-laws and regulations, affecting the use of land or the nature of any structures which may be erected thereon, provided that such restrictions do not reduce the value of the assets of the Person or materially interfere with the use of such assets in the operation of the business of the Person;
- (k) Liens granted pursuant to the Security Documents;
- (l) Liens granted pursuant to the Senior Secured Indenture (including with respect to any Permitted Refinancing);
- (m) Purchase Money Liens, Capital Leases, and the Sturgeon County Lease or Liens with respect thereto, provided that at the time such Liens are granted, or assumed in connection with a Permitted Acquisition, the aggregate outstanding principal amount of Debt secured thereby or arising thereunder does not exceed the amount permitted by clause (b) of the definition of "Permitted Debt";
- (n) Liens with respect to Operating Leases (other than the Sturgeon County Lease) which are true leases and by virtue of Applicable Law are deemed to be a Lien provided that the aggregate net present value of remaining payment obligations thereunder is permitted by clause (c) of the definition of "Permitted Debt";
- (o) Liens in existence as of the Original Closing Date;
- (p) Liens or any rights of distress that are either (i) requirements of Law, or (ii) reserved in or exercisable under any lease or sublease to which it is a lessee which secure the payment of rent or compliance with the terms of such lease or sublease, provided that such Liens do not extend to assets other than those at the relevant leased location;
- (q) Liens on cash collateral securing reimbursement obligations, contingent or otherwise, under or in connection with letters of credit or letters of guarantee and customary indemnity obligations in respect thereof permitted to be incurred by clause (h) of the definition of "Permitted Debt", so long as recourse for such Debt is limited to such cash collateral and the amount of such cash collateral does not exceed 105% of the face amount of such letters of credit or letters of guarantee;
- (r) the Lien created by a judgment of a court of competent jurisdiction, as long as the judgment is being contested diligently and in good faith by appropriate proceedings by that Person and does not result in an Event of Default;
- (s) Liens in connection with Debt permitted by clause (h) of the definition of "Permitted Debt" that have been approved by the Agent;

- (t) Liens securing Debt permitted by clauses (f) and (g) of the definition of “Permitted Debt”, which, for greater certainty, do not and cannot secure any obligations or liabilities in connection with or relating to the Preferred Shares, the 2019 Interest Preferred Shares, the UWO Preferred Shares or the AECOM Preferred Shares;
- (u) [Intentionally deleted]; and
- (v) Liens granted in connection with the AECOM Facility Debt pursuant to the security agreements listed under the heading ‘Security Agreements’ in Schedule 1.1(A) provided that such Liens are subject to the Intercreditor Agreement.

“**Permitted Refinancing**” means any replacement or repayment of the Term Loans by way of (a) Subordinated Debt, (b) Debt incurred pursuant to the Senior Secured Indenture provided such Debt is permitted under, and is subject to the terms of, the Intercreditor Agreement, or (c) proceeds realized from the issuance of any Equity Interests by a Credit Party where such issuance is otherwise in compliance with the terms of this Agreement.

“**Person**” means any natural person, sole proprietorship, partnership, limited partnership, body corporate, syndicate, trust, joint venture, Governmental Authority or any incorporated or unincorporated entity or association of any nature.

“**Policies**” has the meaning set forth in Section 1.1(f).

“**PPSA**” means the *Personal Property Security Act* (Ontario) or any other applicable Canadian federal or provincial statute pertaining to the granting, perfecting, priority or ranking of Liens on personal property, and any successor statutes, together with any regulations thereunder, in each case as in effect from time to time, and any reference to any particular section of the PPSA shall be construed to also refer to any successor section thereto.

“**Preferred Share Payment Date**” has the meaning set forth in the definition of “Permitted Distributions”.

“**Preferred Shares**” means the Series I Cumulative Redeemable Convertible Preferred Shares in the capital of the Corporation having the terms set out in the Articles of Amendment of CESI filed on January 4, 2018.

“**Pricing Grid**” [REDACTED – COMMERCIAL SENSITIVE INFORMATION]

“**Prime Rate**” means, on any particular date of determination, the greater of (a) the rate of interest, expressed as an annual rate, announced on such date by the Agent as its reference rate then in effect for determining interest rates on Canadian Dollar denominated commercial loans made by it in Canada, and (b) the 30-day CDOR Rate in effect from time to time, plus 100 Basis Points per annum.

“**Prime Rate Loan**” means a loan in Canadian Dollars that bears interest at a rate based upon the Prime Rate.

**“Prime Rate Margin”** means a percentage used to determine the rate of interest applicable to Prime Rate Loans, as determined in accordance with the Pricing Grid.

**“Principal Amount”** means (a) with reference to any Prime Rate Loan, the principal amount thereof; (b) with reference to a Bankers’ Acceptance, the face amount thereof; and (c) with reference to a Letter of Credit, the maximum amount payable to the beneficiary thereof.

**“Priority Payables”** means, as at any particular time of determination, any amount due and payable at such time by a Credit Party that is secured by a Lien (whether choate or inchoate) or a statutory right in favour of a Governmental Authority, that encumbers any Collateral and that ranks, or is capable of ranking prior to or *pari passu* with any Lien on such Collateral granted in favour of the Agent or any Lender, including without limitation, amounts due deducted or withheld, as applicable, and not yet paid, contributed or remitted, as applicable, by any Credit Party in respect of vacation pay, termination and severance pay, realty, municipal or similar Taxes, or pursuant to any legislation relating to workers’ compensation, employment insurance, the ITA, any Canadian Pension Plan, *the Wage Earners Protection Act* or any similar legislation.

**“Proportionate Share”** means in respect of each Lender from time to time, (a) with respect to the Revolving Facility (excluding the Swingline Facility), the percentage of the Revolving Facility (excluding the Swingline Facility), which a Revolving Lender has agreed to advance to the Borrower, determined by dividing the Revolving Lender’s Revolving Commitment in respect of the Revolving Facility (excluding the Swingline Facility), as the case may be, by the aggregate of all of the Revolving Lenders’ Revolving Commitments with respect to the Revolving Facility (excluding the Swingline Facility) and, with respect to an Advance under the Revolving Facility, means the percentage of the Advance made by such Revolving Lender, (b) with respect to the Advances under the Term Facility, means the percentage of the Advances made by a Term Lender, and (c) with respect to the Obligations, subject to Section 14.5, *pro rata* in accordance with the aggregate unpaid amount of the Obligations owed to such Lender.

**“Purchase Money Lien”** means a Lien created or assumed by any Person securing Debt incurred to finance the unpaid acquisition price (including any installation costs or costs of construction of Property) provided that (a) such Lien is created substantially concurrently with the acquisition of such Property, (b) such Lien does not at any time encumber any Property other than the Property financed by such Debt or the proceeds thereof, (c) the amount of Debt secured thereby is not increased subsequent to such acquisition, and (d) the principal amount of Debt secured by any such Lien at no time exceeds 100% of the original purchase price of such Property at the time it was acquired, and for the purposes of this definition the term “acquisition” shall include a Capital Lease and the term “acquire” shall have a corresponding meaning.

**“QM Assets”** means, collectively all rights, title and interest of Quantum Murray LP in the (i) the QM Purchase and Sale Agreement, (ii) the Excluded Assets (as defined in the QM Purchase and Sale Agreement), and (iii) the Equity Interests held by Quantum Murray LP in the QM Subsidiaries.

**“QM Litigation”** means the litigation claims initiated against Quantum Murray LP and disclosed to the Agent and the Lenders on the Closing Date.

**“QM Purchase and Sale Agreement”** means the purchase and sale agreement dated March 4, 2016 in connection with the sale of substantially all the assets of Quantum Murray LP, Quantum Murray Facilities LP, Thomson Waste Transfer LP and Titan Supply L.P. to the QM Purchasers.

**“QM Purchasers”** means, collectively, QM LP, QMF LP, TWT LP and TS LP.

**“QM Subsidiaries”** means, until such time as the 2020 Reorganization is complete, collectively, Quantum Murray Facilities LP, Thomson Waste Transfer LP and Thomson Metals and Disposal LP.

**“Real Property Interest”** means, at any particular time of determination, any interest (whether fee, leasehold or otherwise) in real property owned at such time by any Credit Party.

**“Receivables”** means all **“accounts”**, as such term is now defined in the PPSA, now or hereafter acquired by any Credit Party, arising out of or in connection with the sale or lease of Inventory or the performance of services, including (a) all guarantees and other security therefor, whether secured or unsecured, now existing or hereafter created; (b) credit balances arising in connection with or pursuant to any of the foregoing; (c) notes, deposits or property of the applicable account debtors securing the obligations of any such account debtors to a Credit Party; (d) cash and non-cash proceeds of any and all of the foregoing; (e) all demands, monies, choses in action and claims for monies now or hereafter due and payable in connection with any and all of the foregoing; and (f) all unpaid seller’s or lessor’s rights (including rescission, replevin, reclamation, repossession and stoppage in transit) relating to the foregoing or arising therefrom and all rights to any goods represented by any of the foregoing, including rights to returned, reclaimed or repossessed goods; whether or not specifically sold or assigned to the Agent under the Security Documents.

**“Redemption Term Loan”** means the \$1,500,000 Term Loan advanced to the Borrower by the Term Lenders under the Term Facility.

**“Refinancing Update”** means a detailed status update, in form and substance satisfactory to the Agent, acting reasonably, including specific timelines and milestones, with respect to the Borrower’s ongoing efforts regarding, without limitation, (i) discussions with financial institutions or other financiers in respect of refinancing all or any of the Commitments and any Obligations owing to the Lenders; and (ii) any other relevant initiatives undertaken by the Borrower or CESI and its advisors in connection with the Borrower’s refinancing activities.

**“Release”** means a discharging, spraying, injection, abandonment, depositing, spilling, leaking, seeping, pouring, emitting, emptying, throwing, dumping, placing, pumping, escaping, leaching, migrating, dispensing, dispersal, disposing, and exhausting, and when used as a noun has a correlative meaning.

**“Requirements of Environmental Law”** means all requirements of the common law or of statutes, regulations, by-laws, ordinances, treaties, judgments and decrees, and (to the extent that they have the force of law) rules, policies, guidelines, orders, approvals, notices, permits, directives, and the like, of any federal, territorial, provincial, state, regional, municipal or local judicial, regulatory or administration agency, board or governmental authority in Canada and any other jurisdiction in which any Credit Party has operations or assets relating to environmental or occupational health and safety matters (as they relate to exposure to a Hazardous Substance) and the assets and undertaking of any Credit Party and the intended uses thereof, including but not limited to, all such requirements relating to: (a) the protection, preservation or remediation of the natural environment (the air, land, surface water or groundwater); (b) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation; (c) consumer, occupational or public safety and health (as they relate to exposure to a Hazardous Substance); and (d) Hazardous Substances or conditions (matters that are prohibited, controlled or otherwise regulated, such as contaminants, pollutants, toxic substances, dangerous goods, wastes, hazardous wastes, liquid industrial wastes, hazardous materials, petroleum and other materials such as urea formaldehyde and polyurethane foam insulation, asbestos or asbestos-containing materials, polychlorinated biphenyls (PCBs) or PCB contaminated fluids or equipment, lead based paint, explosives, radioactive substances, petroleum and associated products, above ground and underground storage tanks or surface impoundments).

**“Reserves”** means reserves that limit the Excess Availability under the Revolving Facility, consisting of reserves against Receivables and Inventory, as applicable, established from time to time by the Agent, in the Agent’s sole discretion in accordance with Section 2.8, including without limitation rent reserves, reserves in respect of Bank Products, reserves in respect of Letters of Credit issued hereunder, reserves in respect of suppliers the Agent has identified would be likely to exercise unpaid seller’s thirty (30) day goods rights to repossess goods or revendication rights, reserves in respect of dilution in excess of the percentage assumed by the Agent for the purpose of establishing the advance rates used to calculate the Borrowing Base, warehousemen’s and bailees’ charges reserves established from time to time by the Agent in its sole discretion in respect of Priority Payables and with respect to amounts that the Agent believes may be required to be paid in connection with the preservation, protection, collection or realization of Collateral, or in connection with any obligation of any Credit Party set forth in any Credit Document.

**“Revolving Commitment”** means the commitment of the Revolving Lenders to make Advances under the Revolving Facility in an amount that, subject to Section 2.1(2), shall not exceed: (i) \$60,000,000 during the period commencing on the Closing Date and ending December 31, 2020, and (ii) \$50,000,000 during the period commencing January 1, 2021 and ending on the Revolving Facility Maturity Date.

**“Revolving Facility”** means the revolving facility established pursuant to Section 2.1(a).

**“Revolving Facility Maturity Date”** means the earlier of (a) March 23, 2021, (b) the date on which the Revolving Facility is terminated earlier pursuant to this Agreement and

(c) the date that is six (6) months prior to the Maturity Date (as defined in the Senior Secured Indenture).

**“Revolving Lenders”** means each of the Lenders other than the Term Lenders.

**“Rollover”** means the extension of any existing Bankers’ Acceptance or Letter of Credit for an additional Contract Period, as applicable; and **“Rolled Over”** has a corresponding meaning.

**“Rollover Date”** means the date on which a Rollover occurs.

**“Rollover Notice”** has the meaning set forth in Section 4.2(4).

**“Schedule I BA Reference Lenders”** means each of the Revolving Lenders that are banks referred to in Schedule I of the *Bank Act* (Canada), as may from time to time be designated by the Agent for such purpose after consultation with the Borrower.

**“Schedules”** means the schedules to this Agreement, which are listed in Section 1.13.

**“Second Amended Closing Date”** means November 2, 2018.

**“Second Amended Credit Agreement”** has the meaning set forth in the recitals hereto.

**“Securities”** means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation), including, without limitation, partnership interests and membership interests, and any and all warrants, rights or options to purchase or other arrangements or rights to acquire any of the foregoing.

**“Security”** means all security (including guarantees or other documents) held by or on behalf of the Agent or a Lender from time to time which secure or are intended to secure, directly or indirectly, repayment of the Obligations, and includes, without limitation, all confirmations of such security and the security described in Article 10.

**“Security Documents”** means the documents referred to in Article 10, as the same may be amended, restated, supplemented, confirmed or otherwise modified from time to time, together with such other documents that may qualify as Security from time to time.

**“Senior Secured Debentures”** means the 8.0% senior secured debentures due 2026 issued pursuant to the Senior Secured Indenture.

**“Senior Secured Debt”** means the indebtedness and other obligations owing under or in connection with the Senior Secured Indenture.

**“Senior Secured Indenture”** means the senior secured trust indenture made between CESI and the Senior Secured Trustee, dated March 23, 2016, as amended by the first supplemental senior secured trust indenture effective as of June 30, 2016 and dated August 11, 2016, the second supplemental senior secured trust indenture dated January

12, 2018, the third supplemental senior secured trust indenture dated November 30, 2018, the fourth supplemental senior secured trust indenture dated June 26, 2019, the fifth supplemental senior secured trust indenture dated June 2, 2020 and the Sixth Supplemental Senior Secured Trust Indenture, as the same may be further amended, restated, replaced or modified from time to time.

“**Senior Secured Trustee**” means Computershare Trust Company of Canada, as trustee (together with its successors and assigns) under the Senior Secured Indenture.

“**September 2019 Term Loan**” means the \$17,000,000 Term Loan advanced in a single Advance to the Borrower by the Term Lenders under the Term Facility on the September Term Loan Closing Date.

“**September Term Loan Closing Date**” means September 10, 2019.

“**Sixth Supplemental Senior Secured Trust Indenture**” means a sixth supplemental senior secured trust indenture dated as of [**December 31, 2020**] between CESI and the Senior Secured Trustee for the purpose of, among other things, implementing amendments that are required in connection with the 2020 Reorganization.

“**Solvent**” means, as of the particular date of determination, (a) the aggregate property of such Credit Party is sufficient, if disposed of at a fairly conducted sale under legal process, to enable payment of all its obligations, due and accruing due; (b) the aggregate property of such Credit Party is, at a fair valuation, sufficient to enable payment of all its obligations, due and accruing due; (c) such Credit Party is able to meet its obligations as they generally become due; and (d) such Credit Party has not ceased paying its current obligations in the ordinary course of business as they generally become due; and for purposes of this definition, the amount of any Contingent Obligation at such time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“**Specified Account Debtors**” means, collectively, Canadian Natural Resources Limited, Syncrude Canada Ltd. and Suncor Energy Inc.

“**Specified BDC Priority Collateral**” has the meaning set forth in the definition of “AECOM Priority Collateral”.

“**Specified Permitted Collateral Locations**” means, collectively, (a) the locations listed on Schedule 12.1(cc), and (b) any Permitted Collateral Location containing Inventory having an aggregate fair market value in excess of \$400,000, each of which is listed on Schedule 12.1(cc).

“**Standard and Poor’s**” means Standard and Poor’s Financial Services LLC.

“**Sturgeon County Lease**” means the lease dated October 10, 2012 between 1702699 Alberta Ltd., as landlord, and Tuckamore Holdings LP, as tenant, as amended by an

assignment of lease dated October 10, 2012 whereby Tuckamore Holdings LP assigned its interest in the lease to ClearStream Energy Holdings LP.

**“Subordinated Debt”** means Debt of any Credit Party which is subordinated and postponed to the Obligations on such terms as are satisfactory to the Agent, whether pursuant to a subordination and postponement agreement or otherwise. To qualify as Subordinated Debt, any such Debt must have the following characteristics:

- (a) the stated maturity of such Debt must extend a minimum of six months beyond the later of the Revolving Facility Maturity Date or the Term Facility Maturity Date;
- (b) the terms and conditions of such Debt must not be more restrictive than the terms and conditions under this Agreement, including financial covenants which must not be more restrictive than the financial covenants contained in this Agreement;
- (c) the terms and conditions of such Debt do not require mandatory repayments prior to the later of the Revolving Facility Maturity Date or the Term Facility Maturity Date, including repayments from the proceeds of the Disposition of any Property of a Credit Party;
- (d) the terms and conditions of such Debt do not provide for any right of prepayment prior to the later of the Revolving Facility Maturity Date or the Term Facility Maturity Date (for these purposes, a right of conversion into Equity Interests shall not be considered a right of prepayment); and
- (e) such Debt shall be unsecured unless consented to in writing by the Agent.

For greater certainty, the Senior Secured Debentures and the AECOM Facility Debt shall not constitute Subordinated Debt for purposes of the Agreement.

**“Subsidiary”** means, at any time, as to any Person, any other Person, if at such time the first mentioned Person owns, directly or indirectly, securities or other ownership interests in such other Person, having ordinary voting power to elect a majority of the board of directors or persons performing similar functions for such other Person, and shall include any other Person in like relationship to a subsidiary of such first mentioned Person.

**“Swingline Commitment”** means \$8,000,000, as reduced from time to time in accordance with the terms hereof; and for greater certainty the Swingline Commitment forms part of the Revolving Commitment.

**“Swingline Facility”** means the portion of the Revolving Facility allocated to the Swingline Lender to permit the Borrower to obtain Prime Rate Loans on a same day basis under this Agreement in an aggregate amount not to exceed the Swingline Commitment.

**“Swingline Lender”** means Bank of Montreal, and its permitted successors and assigns.

**“Swingline Lender’s Account Branch”** means the branch of the Swingline Lender which is initially situated at the Swingline Lender’s main branch in Toronto, Ontario or, or such other branch in Canada as the Swingline Lender may from time to time notify the Borrower.

**“Tax”** and **“Taxes”** include, at any time, all taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and other charges of any nature imposed by any Governmental Authority (including income, capital (including large corporations), withholding, consumption, sales, use, transfer, goods and services or other value-added, excise, customs, anti-dumping, countervail, net worth, stamp, registration, franchise, payroll, employment, health, education, business, school, property, local improvement, development, education development and occupation taxes, together with all fines, interest, penalties on or in respect of, or in lieu of or for non-collection of, those taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and other charges.

**“Term Deposit Account”** means an account established by the Borrower or CESI with Bank of Montreal, solely to hold proceeds of Term Priority Collateral.

**“Term Facility”** means the term loan facility established pursuant to Section 2.1(1)(b).

**“Term Facility Commitment”** means, collectively, and in the aggregate, (a) the fully funded commitment of the Term Lenders to make Advances under the Term Facility in an aggregate outstanding Principal Amount of \$10,000,000, which amount was, for greater certainty, advanced by the Term Lenders to the Borrower on the Second Amended Closing Date, and (b) the fully funded commitment of the Term Lenders to make the following Advances under the Term Facility in the following Principal Amounts, which amounts were, for greater certainty, advanced by the Term Lenders to the Borrower on or around the Third Amended Closing Date: (i) \$2,000,000 on account of the Injection Term Loan, (ii) \$10,000,000 on account of the Acquisition Term Loan, and (iii) \$1,500,000 on account of the Redemption Term Loan, and (c) the fully funded commitment of the Term Lenders to make an Advance under the Term Facility in the Principal Amount of \$17,000,000, which amount was, for greater certainty, advanced by the Term Lenders to the Borrower, on the September Term Loan Closing Date.

**“Term Facility Maturity Date”** means the earlier of (a) the date that is one hundred and eighty (180) days following the Revolving Facility Maturity Date, (b) September 30, 2021, and (c) the date on which the Term Facility is terminated earlier pursuant to this Agreement.

**“Term Lenders”** means, collectively, those certain Persons identified in Schedule 1.1 hereto (as such Schedule may be updated and replaced from time to time, each of which Person is fully managed by Canso in Canso’s capacity as portfolio manager, and, individually, means any such Person. For the purposes of this definition the term “Person” shall exclude any natural person.

**“Term Loan”** means a Prime Rate Loan advanced under the Term Facility.

**“Term Loan Margin”** means a percentage used to determine the rate of interest applicable to Term Loans, as determined in accordance with the Pricing Grid; provided that, notwithstanding the Pricing Grid, the Term Loan Margin shall at all times be 200 Basis Points more than the Prime Rate Margin.

**“Term Priority Collateral”** means, collectively, that portion of the property and undertaking of the Credit Parties, now existing or hereafter acquired by any Credit Party or in which any Credit Party now has or at any time in the future may acquire any right, title or interest and any Term Deposit Account (but not any proceeds of ABL Collateral therein) other than the ABL Collateral and the AECOM Priority Collateral.

**“Third Amended Closing Date”** means June 26, 2019.

**“Third Amended Credit Agreement”** has the meaning set forth in the recitals hereto.

**“Twelve Month Period”** means the period of twelve (12) calendar months ending on or immediately prior to such date of determination.

**“Type of Advance”** means any type of Advance, determined by reference to the interest or discount option applicable thereto.

**“Unaudited Financial Statements”** means in respect of any particular fiscal period or month of CESI the unaudited consolidated balance sheet of CESI as at the last day of such fiscal period or month, as applicable, and the related unaudited consolidated income statements, cash flow statements and changes in shareholders’ equity for such fiscal period or month, as applicable, and the accompanying notes thereto, all prepared in accordance with GAAP and setting forth in each case, in comparative form, figures for the corresponding period in the most recently completed Fiscal Year, all in reasonable detail and fairly presenting in all material respects the financial position and the results of operations of CESI on a consolidated basis as at the date thereof and for such fiscal period or month, as applicable, then ended.

**“Unaudited Wear Technology Financial Statements”** means in respect of any particular fiscal period or month of ClearStream Wear Technologies LP the unaudited unconsolidated balance sheet (including general ledger detail of inventory amounts) of ClearStream Wear Technologies LP as at the last day of such fiscal period or month, as applicable, and the related unaudited unconsolidated income statements, for such fiscal period or month, as applicable, and any accompanying notes thereto, all prepared in accordance with GAAP, all in reasonable detail and fairly presenting in all material respects the financial position and the results of operations of ClearStream Wear Technologies LP on an unconsolidated basis as at the date thereof and for such fiscal period or month, as applicable, then ended.

**“Unbilled Receivable”** means a Receivable that would otherwise qualify as an Eligible Receivable but for the fact that such Receivable has not been invoiced, provided that the following conditions apply:

- (a) the service or delivery of Inventory giving rise to such Receivable has been performed by the relevant Credit Party and such service or Inventory has been accepted by the customer;
- (b) it does not represent progress billing;
- (c) it has been less than thirty (30) days since such service or delivery of Inventory has been completed;
- (d) it remains unbilled solely due to the administrative processes of the applicable Credit Party; and
- (e) it otherwise qualifies as an Eligible Receivable.

**“Unfunded Capital Expenditures”** means Capital Expenditures net of (i) proceeds from Capital Leases, (ii) the amount of other financings of Capital Expenditures approved by the Agent in its sole discretion, (iii) proceeds from the sale of property, plant and equipment assets of the Credit Parties that do not constitute ABL Collateral, other than any such proceeds applied as a repayment of the AECOM Facility Debt or the Senior Secured Debt, and (iv) property, plant, and equipment assets acquired pursuant to the UWO Acquisition or the AECOM Acquisition.

**“UWO Acquisition”** means the acquisition by ClearStream of all of the issued and outstanding shares in the capital of each 805808 Alberta Ltd., 805811 Alberta Ltd. and Universal Weld Overlays Inc. pursuant to the UWO Purchase Agreement.

**“UWO Preferred Shares”** means convertible preferred shares in the capital of CESI issued by CESI, the net proceeds of which were applied by ClearStream solely to complete the UWO Acquisition.

**“UWO Purchase Agreement”** means that share purchase agreement dated as of April 29, 2019 between Robert Guenette, Pierre Guenette, Robert Guenette Family Trust, and Pierre Guenette Family Trust, as vendors, and ClearStream, through its general partner, ClearStream Energy Holdings Inc., as purchaser.

**“Value”** means, as at any particular date of determination, with respect to Receivables, the face amount thereof, exclusive of all sales, excise and similar taxes.

**“Voluntary Senior Debenture Payment Date”** means, for purposes of clause (f)(iii) of the definition of “Permitted Distributions and clause (h) of the definition of “Permitted Investments”, the date on which the payment referred to in the applicable clause is required to be made in accordance with the Senior Secured Indenture.

**“written”** or **“in writing”** includes printing, typewriting, or any electronic means of communication capable of being legibly reproduced at the point of reception.

## **Section 1.2 Business Day**

Except as otherwise expressly provided herein, if any payment or calculation is to be made pursuant to this Agreement, or any other action is to be taken pursuant to this Agreement, on or as of a day which is not a Business Day, such payment, calculation or other action, as applicable will be made or taken, as applicable, on or as of the next day that is a Business Day unless the Business Day next following the day is in the next following month, in which event the payment, calculation or action shall be made or taken, as applicable, on or as of the immediately preceding Business Day.

## **Section 1.3 [Reserved]**

## **Section 1.4 Accounting Principles and Calculations**

Unless otherwise specifically provided herein, any accounting term used in this Agreement shall have the meaning customarily given to such term in accordance with GAAP and all financial computations hereunder shall be computed in accordance with GAAP consistently applied. That certain items or computations are explicitly modified by the phrase “in accordance with GAAP” shall in no way be construed to limit the foregoing. If there occurs after the date hereof any change in GAAP from that used in the preparation of the Financial Statements referred to hereunder or if, after the date hereof the Borrower and its Subsidiaries or CESI adopt any other accounting principles for use in the preparation of their Financial Statements (such changes in GAAP and such adoption being referred to herein as “**Accounting Changes**”) that affects in any respect the calculation of any covenants contained in this Agreement (including those in Section 13.3) and any other Credit Document, the Agent, CESI and the Borrower shall negotiate in good faith amendments to the provisions of this Agreement and any other Credit Document that relate to the calculation of such covenants with the intent of having the respective positions of the Agent, CESI and the Borrower after such Accounting Changes conform as nearly as possible to their respective positions as of the date of this Agreement and any other Credit Document and, until any such amendments have been agreed upon by the Agent, CESI and the Borrower, or if no such changes are mutually agreed upon, the covenants in this Agreement and any other Credit Document (including those in Section 13.3) shall be calculated as if no Accounting Changes have occurred and all Financial Statements of the Borrower and all Financial Statements of CESI required to be delivered to the Agent hereunder shall be prepared in accordance with GAAP.

## **Section 1.5 [Intentionally Deleted.]**

## **Section 1.6 Conflict**

Except as otherwise provided in Article 5 with respect to Letters of Credit or in Article 6 with respect to MasterCard Advances, if there is a conflict or inconsistency between any provision of this Agreement and any provision of another Credit Document contemplated by or delivered under or in connection with this Agreement, the relevant provision of this Agreement shall prevail. For greater certainty, notwithstanding events of default set forth in such other Credit Documents, the events of default contained in such other Credit Documents will only be applicable to the extent that the relevant representation, warranty and/or covenant relating

specifically to the property secured, charged or hypothecated by such other Credit Document is not addressed in the Credit Agreement.

### **Section 1.7 Currency**

Unless otherwise specified, all dollar amounts stated herein refer to Canadian Dollars.

### **Section 1.8 Time of Essence**

Time shall be of the essence in all provisions of this Agreement.

### **Section 1.9 Headings and Table of Contents**

The division of this Agreement into sections, the insertion of headings and the provision of a table of contents are for convenience of reference only and are not to affect the construction or interpretation of this Agreement.

### **Section 1.10 General Interpretation**

Unless otherwise specified, words importing the singular include the plural and vice versa and words importing gender include all genders. Unless otherwise specified, references in this Agreement to Sections, Schedules and exhibits are to sections of, and schedules and exhibits to, this Agreement. Unless otherwise specified, each reference to an enactment of legislation is deemed to be a reference to that enactment of legislation, and to the regulations made under that enactment, as amended or re-enacted from time to time. Unless otherwise specified, references to time of day or date mean the local time or date in the City of Toronto, Ontario. **“Including”** means “including without limitation” and the term “including” shall not be construed to limit any general statement that precedes such term to the specific or similar items or matters immediately following it.

### **Section 1.11 Computation of Time Periods**

In this Agreement and any other Credit Document, except where expressly otherwise provided, in the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” mean “to but excluding”.

### **Section 1.12 Severability**

If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, such provision shall be deemed to be severable and the illegality, invalidity or unenforceability of such provision shall not affect the legality, validity or enforceability of the remaining provisions of this Agreement or the legality, validity or enforceability of such provision in any other jurisdiction in which such provision is not illegal, invalid or unenforceable.

### **Section 1.13 Schedules and Exhibits**

The following Schedules and Exhibits are attached to and form part of this Agreement:

<b><u>Schedule</u></b>	<b><u>Description</u></b>
Schedule 1.1	Term Lenders
Schedule 1.1(A)	AECOM Contingent Obligations and Security
Schedule 1.1(B)	AECOM Priority Collateral
Schedule 11.1(1)(a)(i)	Other Closing Deliveries
Schedule 12.1(d)	Business and Operations
Schedule 12.1(e)	Approvals
Schedule 12.1(l)	Taxes
Schedule 12.1(m)	List of Subsidiaries
Schedule 12.1(s)	Intellectual Property
Schedule 12.1(t)	Real Property and Locations of ABL Collateral
Schedule 12.1(w)	Material Contracts and Licences
Schedule 12.1(x)	Existing Debt
Schedule 12.1(cc)	Specified Permitted Collateral Location
Schedule 12.1(dd)	Deposit Accounts
Schedule 13.1(4)	Insurance
Schedule 17.2	Address for Notice
Schedule 18.3	Excluded Subsidiaries

<b><u>Exhibit</u></b>	<b><u>Description</u></b>
Exhibit "A"	Borrowing Base Certificate
Exhibit "B"	Compliance Certificate
Exhibit "C"	Form of Cash Flow Statements
Exhibit "D"	Drawdown Notice
Exhibit "E"	Rollover Notice/Conversion Notice
Exhibit "F"	<b>[Reserved]</b>
Exhibit "G"	<b>[Reserved]</b>
Exhibit "H"	<b>[Reserved]</b>
Exhibit "I"	CBA Model Provisions
Exhibit "J"	Lender Commitments

## **ARTICLE 2 CREDIT FACILITY**

### **Section 2.1 Facility**

- (1) Subject to the terms and conditions set forth in this Agreement:
  - (a) the Revolving Lenders have made available to the Borrower a committed, revolving credit facility (the "**Revolving Facility**") in a maximum Principal Amount not exceeding the Revolving Commitment. The Swingline Lender has

made available to the Borrower, as a sub-commitment under the Revolving Facility, a committed, revolving operating facility (the “**Swingline Facility**”) in an amount of up to the Swingline Commitment under which Prime Rate Loans may be requested by the Borrower for a period starting on the Original Closing Date and ending on the Revolving Facility Maturity Date. For greater certainty, Advances under the Swingline Facility form part of the Revolving Facility and the aggregate amount of all outstanding Advances under the Revolving Facility, including under the Swingline Facility, shall not, at any time, exceed the Revolving Commitment. Advances under the Swingline Facility may be requested by the Borrower up to the Swingline Commitment by requesting Prime Rate Loans in accordance with Section 2.5; and

- (b) the Term Lenders have made available to the Borrower a non-revolving term credit facility (the “**Term Facility**”) in a Principal Amount equal to the Term Facility Commitment.
- (2) So long as no Default or Event of Default has occurred and is continuing, and subject to Section 2.14, the Revolving Lenders may, upon written request from the Borrower to the Agent prior to the Revolving Facility Maturity Date, increase the principal amount available under the Revolving Facility and the Revolving Commitment by way of a single increase in an amount equal to \$5,000,000 (an “**Optional Increase**”).

## **Section 2.2 Advances**

Subject to the terms and conditions set forth in this Agreement:

- (a) **Revolving Facility.** The Borrower may borrow, repay, reborrow, Convert and Rollover Advances under the Revolving Facility (including the Swingline Facility) provided that (a) the Aggregate Revolver Outstandings do not at any time exceed the lesser of the Revolving Commitment and the Borrowing Base at such time, (b) Advances under the Swingline Facility (which, for greater certainty, include MasterCard Advances thereunder) do not at any time exceed the Swingline Commitment at such time, and (c) Advances that are MasterCard Advances do not at any time exceed the MasterCard Limit at such time. The Revolving Facility shall revolve and no repayment shall automatically reduce the Revolving Commitment or a Revolving Lender’s Commitment.
- (b) **Term Facility.** The Borrower has borrowed on or before the Closing Date the full amount of the Term Facility Commitment, of which an approximate aggregate Principal Amount of \$40,500,000 remains outstanding as of the Closing Date.

## **Section 2.3 Availments**

The Borrower may avail itself of the Facilities at any time and from time to time prior to the applicable Maturity Date, subject to and in accordance with the terms and conditions set forth herein. Subject to the terms and conditions set forth in this Agreement:

- (a) the Revolving Lenders agree to make the following Types of Advances available to the Borrower under the Revolving Facility:
  - (i) Prime Rate Loans, Bankers' Acceptances and Letters of Credit; and
  - (ii) Swingline Facility may only be availed by way of Prime Rate Loans and MasterCard Advances.
- (b) the Term Lenders agree to make the Advances available to the Borrower under the Term Facility by way of Term Loans.

#### **Section 2.4 Purpose of Advances**

The Borrower shall use the proceeds of all Advances hereunder for such legal and proper purposes as are consistent with all Applicable Laws and with the terms of this Agreement; and without limiting the foregoing, the Borrower shall use the proceeds of any particular Advance as follows:

- (a) the proceeds of all Advances under the Revolving Facility (other than Advances under the Swingline Facility) shall be used for: (i) general corporate and working capital purposes of the Credit Parties, including financing accounts receivables, financing inventory and fixed assets, Permitted Acquisitions, and (ii) making Permitted Distributions and Permitted Investments; and
- (b) the proceeds of Advances under the Swingline Facility may only be used for general corporate and working capital requirements of the Credit Parties.

#### **Section 2.5 Borrowing Procedures**

- (1) **Drawdown Notice.** Each Advance under the Revolving Facility (other than an Advance under the Swingline Facility or a MasterCard Advance) and each Advance under the Term Facility shall be made upon the Borrower's irrevocable written notice, substantially in the form attached as Exhibit "D" (a "**Drawdown Notice**"), delivered to the Agent at or before the applicable time specified below for such Type of Advance:

<u>Type of Advance</u>	<u>Notice</u>
Prime Rate Loans less than \$10,000,000	Before 11:00 a.m. one (1) Business Day prior to the applicable Drawdown Date.
Prime Rate Loans equal to or greater than \$10,000,000	Before 11:00 a.m. two (2) Business Days prior to the applicable Drawdown Date.
Bankers' Acceptances	Before 11:00 a.m. three (3) Business Days prior to the requested Drawdown Date.
Letters of Credit	Before 11:00 a.m. five (5) Business Days prior to the requested Issuance Date.
Term Loans	Before 11:00 a.m. one (1) Business Day prior to the applicable Drawdown Date.

Each Drawdown Notice must specify the Borrower's requested Type of Advance, Drawdown Date or Issuance Date (as applicable) (which must be a Business Day), Principal Amount and the Contract Period, if applicable.

Notwithstanding the foregoing, Advances under the Swingline Facility may be made by same day notice by telephone to the Swingline Lender of its request for a Prime Rate Loan under the Swingline Facility.

- (2) ***Drawdown Notice Irrevocable.*** Any Drawdown Notice made pursuant to Section 2.5(1) shall be irrevocable and the Borrower shall be bound to borrow the funds requested therein in accordance therewith. The crediting of the applicable Advance to the Borrower in the Agent's records conclusively establishes, in the absence of manifest error, the Borrower's obligation to repay such Advance as provided herein.
- (3) ***No Liability.*** The Agent shall be entitled to rely upon, and shall not incur any liability to the Borrower as a result of acting upon, any Drawdown Notice. The Agent shall not be responsible for any error or omission in any Drawdown Notice or in the performance thereof and the Borrower shall indemnify the Agent and each Lender for any Loss or expense suffered or incurred as a consequence of the Agent or any Lender acting upon instructions given in any such Drawdown Notice, except to the extent that a court of competent jurisdiction determines that such loss or expense resulted from the negligence or wilful misconduct of the Agent.
- (4) ***Limits on Advances.*** Notwithstanding any other term of this Agreement, the Borrower shall not request an Advance under any Facility, and no Lender shall be obligated to make an Advance under any Facility, if:
  - (a) the amount of such Advance would (i) if made under the Revolving Facility, exceed the Excess Availability, or (ii) if made under the Term Facility, exceed the Term Facility Commitment;

(b) such Advance would have a maturity date or Contract Period, as applicable, that extends beyond Maturity Date of such Facility;

(c) such Advance is a Bankers' Acceptance and Section 3.5 would be applicable to such Advance; or

(d) such Advance is a Bankers' Acceptance and after issuing such Bankers' Acceptance, more than four (4) Bankers' Acceptances would be outstanding.

- (5) ***Determination of Rates and Fees.*** Each determination by the Agent of any applicable rate or fee shall, in the absence of manifest error, be final, conclusive and binding on the Borrower.

## **Section 2.6 Obligations of Agent and Lenders with Respect to Advances**

- (1) The Swingline Lender shall provide Prime Rate Loans under the Swingline Facility directly to the Borrower by way of a credit to the Borrower's Account.
- (2) Each Revolving Lender shall advance its Proportionate Share of each Advance under the Revolving Facility (other than the Swingline Facility, a MasterCard Advance or a Letter of Credit) in accordance with the following provisions:

(a) the Agent shall notify each Revolving Lender of its receipt of the Drawdown Notice applicable to such Advance pursuant to Section 2.5, on the day it is received and shall, as soon as possible, notify each Revolving Lender of such Revolving Lender's Proportionate Share of such Advance;

(b) each Revolving Lender shall deliver its Proportionate Share of the requested Advance to the Agent not later than 12:00 p.m. (Toronto time) on the Drawdown Date specified in such Drawdown Notice; and

(c) the Agent shall advance to the Borrower the amount delivered by each Revolving Lender by crediting the Borrower's Account on the applicable Drawdown Date, but if the conditions precedent to the Advance are not met by 2:00 p.m. (Toronto time) on the applicable Drawdown Date, the Agent shall return the funds to the Revolving Lenders or invest them in an overnight investment in the Agent's discretion until such time as the Advance is made.

- (3) Each Term Lender shall advance its Proportionate Share of Advances under the Term Facility to the Agent not later than 12:00 p.m. (Toronto time) on the applicable Drawdown Date and the Agent shall advance to the Borrower such amount by crediting the Borrower's Account on such Drawdown Date.

## **Section 2.7 Lender's Failure to Fund**

- (1) The failure by any Lender (a "**Defaulting Lender**") to make an Advance in accordance with its obligations hereunder will not relieve the other Lenders of their several obligations to make an Advance under the Facilities (in accordance with their respective obligations) equal to their respective Proportionate Share of the aggregate

amount of any Advance requested by the Borrower under the Facilities nor will any Lender be responsible for the obligations of any other Lender.

(2) Within ten (10) days of the failure of a Defaulting Lender to make an Advance as set forth in Section 2.7(1), and provided such Defaulting Lender has continued to fail to make such Advance available during such 10-day period, the Borrower will have the right (but not the obligation) to replace such Defaulting Lender as contemplated in Section 2.7(3) or cancel its Commitment as contemplated in Section 2.7(4), provided however, that no Default or Event of Default has occurred and is continuing.

(3) With respect to each Defaulting Lender that the Borrower wishes to replace:

(a) the Borrower will initially be required to ask, (i) if the Defaulting Lender is a Revolving Lender, each Revolving Lender that is not a Defaulting Lender, and (ii) if the Defaulting Lender is a Term Lender, each Term Lender that is not a Defaulting Lender, through the Agent, if it wishes to have the Proportionate Share of the Advances or any portion thereof of such Defaulting Lender assigned to it and assume the corresponding portion of the Commitment of such Defaulting Lender. The applicable Lenders will inform the Agent of their answer within ten (10) days of the request of the Borrower and the Agent will promptly inform the Borrower of same; and

(b) in the event that no such Revolving Lender or Term Lender, as applicable, informs the Agent of its intention to proceed with such an assignment or that the aggregate amount of the Advances and the Commitment that the Revolving Lenders or Term Lender, as applicable, desire to have assigned to them is less than the amount of the Proportionate Share of the Advances and the Commitment of such Defaulting Lender, the Borrower may request that the portion of the Proportionate Share of the Advances and the Commitment of such Defaulting Lender that the other Revolving Lenders or Term Lender, as applicable, do not wish to have assigned to them, be assigned to one or more financial institutions that are acceptable to the Borrower and that such financial institution(s) assume the corresponding portion of the Proportionate Share of the Advances and of the Commitments of such Defaulting Lender that the other Revolving Lenders or Term Lender, as applicable, do not wish to have assigned to them provided, however, that the Agent consents to such assignment, which consent will not be unreasonably withheld. The Defaulting Lender will collaborate with the Borrower and the Agent and take all such actions as are required in order that any assignment requested by the Borrower be completed on a timely basis.

(4) With respect to each Defaulting Lender whose Commitment the Borrower wishes to cancel, the Borrower will so notify in writing the Agent and such Defaulting Lender ten (10) business days prior to the effective date of such cancellation. On the effective date of such cancellation specified in the notice from the Borrower, the Commitment of such Defaulting Lender, as specified in such notice, will be cancelled if:

(a) the Proportionate Share of the Advances of such Defaulting Lender on such date have been paid in full, with all interest accrued and unpaid on any amount so repaid;

- (b) with respect to the Commitment of such Defaulting Lender, all standby commitment fees accrued and unpaid on such date have been paid in full; and
  - (c) no Default or Event of Default has occurred and is continuing on such date.
- (5) Any replacement of a Defaulting Lender or cancellation of its Commitment pursuant to the foregoing Subsections will not release the Defaulting Lender from any obligation, if any, to indemnify the Borrower for any damages caused to the Borrower from the failure of such Defaulting Lender to make an Advance in accordance with its obligations hereunder.

## **Section 2.8 Reserves and Availability Block**

Notwithstanding any other provision of this Agreement to the contrary, the Agent shall have the right at any time and from time to time to establish Reserves, and to adjust the amount of any existing Reserve, against the amount of Prime Rate Loan which the Borrower may otherwise request hereunder, in such amounts and with respect to such matters as the Agent shall deem necessary or appropriate, including, without limitation, (a) Reserves in respect of dilution and Reserves in respect of amounts owing by any Credit Party to holders of Liens that may have priority over the Liens of the Agent (regardless of whether such third party Liens are Permitted Liens); (b) Reserves in respect of any accounts payable that are more than thirty (30) days past the date on which payment thereof is due, and (c) Reserves in respect of any Letters of Credit issued hereunder. The amount of all Reserves established by the Agent shall be subtracted from the Borrowing Base when calculating the Excess Availability. In addition, the Agent may from time to time reduce the percentages applicable to Eligible Receivables, Insured Receivables, Investment Grade Receivables, Unbilled Receivables or Eligible Inventory as they relate to the Borrowing Base, to the extent determined necessary or appropriate by the Agent (in its sole discretion but after consultation with the Borrower).

## **Section 2.9 Bank Products**

The Borrower may request and the Agent may, in its sole and absolute discretion, arrange for the Borrower to obtain, Bank Products. If Bank Products are provided by an Affiliate of the Agent, the Borrower agrees to indemnify and hold the Agent harmless from all costs and obligations now or hereafter incurred by the Agent which arise from any indemnity given by the Agent to such Affiliate related to such Bank Products, provided, however, nothing contained herein is intended to limit the Borrower's rights, if any, with respect to the Agent or its Affiliates which arise as a result of the execution of any agreement or other document by and between the Borrower and the Agent or one of its Affiliates relating to the Bank Products. This indemnity obligation shall survive payment of the Obligations and termination of this Agreement. The Borrower acknowledges and agrees that the obtaining of Bank Products from the Agent or any of its Affiliates is subject to all rules and regulations of the Agent or such Affiliate that are applicable to such Bank Products.

## **Section 2.10 Conversion of Prime Rate Loans and Bankers' Acceptances**

Subject to this Agreement, the Borrower may, during the term of this Agreement, effective on any Business Day, Convert, in whole or in part, any outstanding Advance (other

than Advances by way of Letter of Credit or MasterCard Advances) under the Revolving Facility into another Type of Advance permitted under the Revolving Facility (other than an Advance by way of Letter of Credit or a MasterCard Advance) upon the Borrower's irrevocable written notice, substantially in the form attached hereto as Exhibit "E" (a "**Conversion Notice**"), delivered to the Agent at or before the applicable time specified in Section 2.5(1) for the Type of Advance into which the outstanding Advance under the Revolving Facility is to be Converted under Section 2.5(1), subject to the following conditions:

- (a) each Conversion shall be for minimum aggregate amounts and whole multiples in excess thereof as are specified in respect of that Type of Advance in this Article 2;
- (b) a Bankers' Acceptance may only be Converted on the last day of the relevant Contract Period; and
- (c) no Event of Default shall have occurred and be continuing on the relevant Conversion Date or after giving effect to the Conversion to be made on such Conversion Date.

If the Borrower fails to pay any Bankers' Acceptance or Convert such Bankers' Acceptance to another Type of Advance, in either case, on the applicable maturity date of such Bankers' Acceptance, the unpaid amount due and payable shall be Converted to a Prime Rate Loan and shall bear interest calculated and payable as provided in Article 3. This Conversion shall occur as of the applicable maturity date of such Bankers' Acceptance and without any necessity for the Borrower to give a Conversion Notice.

### **Section 2.11 Conversion and Rollover Not Repayment**

No Conversion or Rollover shall constitute a repayment of any Advance or a new Advance.

### **Section 2.12 Deposit of Proceeds of Advances**

The Agent shall credit to the Borrower's Account on the applicable Drawdown Date (a) the proceeds of each Advance made by way of Prime Rate Loan or a Term Loan; and (b) with respect to each Bankers' Acceptance purchased by the Revolving Lenders on such Drawdown Date, the amounts received by the Agent from the Revolving Lenders in accordance with Section 4.3(c).

### **Section 2.13 Evidence of Obligations**

The Agent shall open and maintain at its Agent's Account Branch, accounts and records evidencing the Obligations of the Borrower under this Agreement and all Advances and repayments made hereunder, which shall constitute conclusive evidence thereof in the absence of manifest error. The Agent may, but shall not be obliged to, require the Borrower to execute and deliver to the Agent promissory notes from time to time as additional evidence of the Obligations.

## **Section 2.14 Optional Increase**

Each Revolving Lender (including any new lender approved by the Agent) shall have the option of participating in an Optional Increase provided for in Section 2.1(2). If any Revolving Lender or Revolving Lenders (including any new lender approved by the Agent) agree to participate, the following terms and conditions shall apply:

- (a) at the time of the Borrower's request and as at the effective date of such Optional Increase, no Default or Event of Default shall have occurred and be continuing;
- (b) the Senior Secured Trustee and the AECOM Facility Lender shall have consented to the Optional Increase (to the extent such consent is required);
- (c) the Borrower's request shall be made in writing no less than thirty (30) days prior to the date of such Optional Increase and such request will specify the date and amount of the first Advance under the Revolving Facility after giving effect to such Optional Increase;
- (d) the Borrower shall be in compliance with Section 13.3, tested on a *pro forma* basis as if such Optional Increase had occurred;
- (e) the Revolving Lender or Revolving Lenders (including any new lender approved by the Agent) agreeing to participate shall have the option of establishing, among other things, the pricing for such Optional Increase in accordance with then prevailing market conditions; and
- (f) the Borrower shall execute and deliver or cause to be executed and delivered such amendments, confirmations, agreements, security documents, opinions and other documents as the Agent may reasonably require.

## **ARTICLE 3 INTEREST, FEES AND EXPENSES**

### **Section 3.1 Interest on Loans**

- (1) The Borrower shall pay interest calculated and payable in accordance with this Article 3, both before and after maturity, default and judgment on the unpaid Principal Amount of each Advance made hereunder from the date on which such Advance was made until the Principal Amount thereof is repaid in full, at the following rates per annum:
  - (a) with respect to each Prime Rate Loan (other than any Term Loan), at a rate per annum equal to the Prime Rate plus the Prime Rate Margin; and
  - (b) with respect to each Term Loan, at a rate per annum equal to the Prime Rate plus the Term Loan Margin.
- (2) Each change in the Prime Rate shall result in a corresponding change in the rate of interest payable hereunder for Prime Rate Loans and Term Loans.

- (3) If any Event of Default occurs and is continuing and the Agent in its discretion so elects, after notification to the Borrower, all of the Obligations shall bear interest at the Default Rate applicable thereto while such Event of Default is continuing.

### **Section 3.2 Calculation of and Adjustments to Applicable Margin**

Each Applicable Margin shall be increased or decreased, as applicable, from time to time on the fifth Business Day after the end of each calendar month based on the average Aggregate Revolver Outstandings for such recently completed calendar month. If an Event of Default has occurred and is continuing at the time at which any reduction in any Applicable Margin would otherwise be permitted, no reduction shall occur until the fifth Business Day after the date on which such Event of Default is waived.

### **Section 3.3 Overdue Amounts**

The Borrower shall pay interest as prescribed in this Agreement both before and after demand, default and judgment. Interest on any overdue amounts hereunder is payable upon demand by the Agent for overdue amounts, at the Prime Rate plus the Applicable Margin plus 2% per annum, calculated on a daily basis on the actual number of days elapsed in a 365 or 366 day year, as applicable, computed from the date the amount becomes due until such overdue amount is paid in full, and shall be compounded on the last Business Day of each month ending during such period of arrears. The Borrower shall pay interest on any Excess Amount, upon demand by the Agent at the Prime Rate plus 2% per annum, calculated on a daily basis on the actual number of days elapsed in a 365 or 366 day year, as applicable, computed from the date on which such Excess Amount arises to, but excluding, the date on which such Excess Amount is repaid and shall be compounded on the last Business Day of each month ending during such period of arrears.

### **Section 3.4 Confirmation of Certain Rates**

The Agent shall, prior to 11:00 a.m. (Toronto time) on the Business Day immediately preceding the date on which any Bankers' Acceptance is issued, endeavour to inform the Borrower of the applicable Discount Rate which will be used to determine the purchase price thereof.

### **Section 3.5 Inability to Determine Rates**

If the Agent determines that for any reason a market for Bankers' Acceptances does not exist at any time or the Revolving Lenders cannot for other reasons, after commercially reasonable efforts, readily sell Bankers' Acceptances or perform their other obligations under this Agreement with respect to Bankers' Acceptances, the Agent will promptly so notify the Borrower. Thereafter, the Borrower's right to request the acceptance of Bankers' Acceptances shall be and remain suspended until the Revolving Lenders determine, and the Agent notifies the Borrower, that the condition causing such suspension no longer exists.

### Section 3.6 Payment of Interest and Calculation

- (1) Interest on each Prime Rate Loan hereunder on which interest is payable shall accrue from day to day as at and after the applicable Drawdown Date and shall be paid on the last day of each calendar month and on the Revolving Facility Maturity Date or the Term Facility Maturity Date, as applicable. All interest payments to be made under this Agreement will be paid without allowance or deduction for deemed re-investment or otherwise, both before and after maturity and before and after default and/or judgment, if any, until payment of the amount on which such interest is accruing, and interest will accrue on overdue interest, if any.
- (2) Unless otherwise stated, wherever in this Agreement reference is made to a rate of interest or rate of fees “per annum” or a similar expression is used, such interest or fees will be calculated on the basis of a year of 365 or 366 days, as applicable, and using the nominal rate method of calculation, and will not be calculated using the effective rate method of calculation or on any other basis that gives effect to the principle of deemed re-investment of interest.
- (3) For the purposes of the *Interest Act* (Canada), whenever any interest or fee under this Agreement is calculated using a rate based on a period other than a calendar year, such rate determined pursuant to such calculation, when expressed as an annual rate, is equivalent to such rate as determined multiplied by the actual number of days in the calendar year in which the period for which such interest or fee is payable (or compounded) ends and divided by the number of days comprising such other period.
- (4) The Agent’s certificate as to each amount and/or each rate of interest payable hereunder shall, in the absence of manifest error which the Borrower can demonstrate to the reasonable satisfaction of the Agent, be conclusive evidence of such amount and/or rate.
- (5) If any provision of this Agreement or any other Credit Document would obligate the Borrower or a Credit Party to make any payment of interest or other amount payable in an amount or calculated at a rate which would be prohibited by law under the *Interest Act* or would result in a receipt by the Agent of interest at a criminal rate (as construed under the *Criminal Code* (Canada)), or at a rate that is not permitted under the *Interest Act* (Canada) then notwithstanding that provision, that amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or result in a receipt by the Agent of interest at a criminal rate, the adjustment to be effected, to the extent necessary, as follows:
  - (a) first, by reducing the amount or rate of interest required to be paid under this Article 3; and
  - (b) thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid which would constitute interest for purposes of the *Interest Act* or *Criminal Code* (Canada);

provided that, notwithstanding the foregoing, and after giving effect to all adjustments contemplated thereby, if the Agent receives an amount in excess of the maximum permitted by the *Interest Act* (Canada) or *Criminal Code* (Canada), then the Borrower shall be entitled, by notice in writing to the Agent, to obtain reimbursement from the Lenders in an amount equal to the excess, and pending reimbursement, the amount of the excess shall be deemed to be an amount payable by the Lenders to the Borrower.

- (6) Any amount or rate of interest referred to in this Agreement shall be determined in accordance with generally accepted actuarial practices and principles as an effective annual rate of interest over the term that any Advance remains outstanding on the assumption that any charges, fees or expenses that fall within the meaning of "interest" (as defined in the *Criminal Code* (Canada)) shall, if they relate to a specific period of time, be pro-rated over that period of time and otherwise be pro-rated over the period from the earlier of the date of advance and the Original Closing Date to the relevant Maturity Date and, in the event of a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the Agent shall be conclusive for the purposes of that determination.

### **Section 3.7 Acceptance Fees**

The Borrower shall pay an Acceptance Fee on each BA Advance issued hereunder.

### **Section 3.8 Standby Commitment Fee**

The Borrower shall continue to pay to the Agent, for the benefit of each of the Revolving Lenders, a standby commitment fee in Canadian Dollars at the annual rate (based on a 365 day year, or 366 days in the case of a leap year) set out in the Pricing Grid on the undrawn portion of the amount of the Revolving Commitment, such fee to be calculated and payable monthly, in arrears, on the first Business Day following the end of each calendar month, on the outstanding daily undrawn portion of the Revolving Facility, from the first day of each calendar month to and including the last day of such calendar month. The Agent will debit the Borrower's Account for the amount of each commitment fee payable hereunder.

### **Section 3.9 [Intentionally deleted.]**

### **Section 3.10 Cash Management Fees**

The Borrower shall pay Bank of Montreal monthly cash management fees, on a per transaction basis, as agreed between the Borrower and Bank of Montreal.

### **Section 3.11 Field Examination Fees**

The Borrower shall, forthwith upon request by the Agent, pay to the Agent a fee for each field examination of the ABL Collateral performed by the Agent or its agents or representatives, calculated in a manner consistent with the Agent's normal practices at the Agent's then standard rate charged by it for such field examinations and the Borrower shall reimburse the Agent for all reasonable out-of-pocket expenses incurred in connection therewith.

### **Section 3.12 Monthly Administration Fees**

The Borrower shall pay to the Agent an administration fee in the amount of \$2,500 on the first Business Day of each calendar month (provided that the monthly administration fee for the calendar month during which the initial Advance is made hereunder shall be pro-rated, based upon the number of days in such calendar month) and such administration fee shall be paid by the Borrower so long as any Obligations remain owing to any Lender or any Lender has any obligation to make any Advance available to the Borrower.

### **Section 3.13 Termination Fee**

The Borrower may terminate:

- (1) the Revolving Facility in whole (but not in part) at any time prior to the Revolving Facility Maturity Date if: (i) the Borrower provides the Agent with not less than sixty (60) days' prior written notice of its intention to terminate the Revolving Facility, (ii) the Borrower repays in full all outstanding Obligations, together with all accrued and unpaid interest thereon, all accrued and unpaid commitment fees and all other fees due under or in connection with the Revolving Facility to the Revolving Facility Maturity Date, and (iii) all outstanding Letters of Credit are terminated to the satisfaction of the Agent, or the obligations pursuant to all such Letters of Credit are cash collateralized or otherwise secured in such form and in such amount as is satisfactory to the Agent; and
- (2) the Term Facility at any time prior to the Term Facility Maturity Date in accordance with Section 9.3 of this Agreement.

### **Section 3.14 Agency Fee**

The Borrower shall pay the Agent, for its own account, the annual agency and collateral monitoring fee set out in the Fee Letter, payable in advance on the date of this Agreement and annually on each anniversary date of this Agreement thereafter during the term of this Agreement.

### **Section 3.15 Indemnity**

- (1) **General.** Each Credit Party shall, and does hereby, jointly and severally indemnify the Indemnified Persons against all suits, actions, proceedings, claims, Losses, expenses (including reasonable fees, charges and disbursements of counsel), damages and liabilities including, without limitation, liabilities arising under any Requirement of Environmental Law that the Indemnified Person may sustain or incur as a consequence of (a) any default under this Agreement or any other Credit Document; (b) any misrepresentation contained in any writing delivered to the Agent or any Lender in connection with this Agreement; (c) the Agent or any Lender entering into this Agreement; (d) the use of proceeds of the Facilities; or (e) the operations of any of the Credit Parties, except that no Indemnified Person shall be indemnified for any of the foregoing matters to the extent the same resulted from its own gross negligence or wilful misconduct as determined by a court of competent jurisdiction.

- (2) **Certificate.** A certificate of the Agent setting out the basis for the determination of the amount necessary to indemnify the relevant Person pursuant to this Section 3.15 shall be conclusive evidence, absent manifest error, of the correctness of that determination.
- (3) **Survival.** It is the intention of each of the Credit Parties, each Lender and the Agent that this Section 3.15 shall supersede any other provisions in this Agreement which in any way limit the liability of any of the Credit Parties and that each of the Credit Parties shall be liable for any obligations arising under this Section 3.15 even if the amount of the liability incurred exceeds the amount of the Obligations owing in respect of Advances hereunder. The obligations of the Credit Parties under this Section 3.15 are joint and several and absolute and unconditional and shall not be affected by any act, omission or circumstance whatsoever, whether or not occasioned by the fault of any Lender or the Agent, except in respect of gross negligence or wilful misconduct by it. The obligations of each of the Credit Parties under this Section 3.15 shall survive the repayment of the other Obligations and the termination of the Facilities.

### **Section 3.16 Breakage Costs**

- (1) The Borrower may not repay, prepay or cancel any Advance made by way of a Bankers' Acceptance prior to the expiry of the Contract Period relating thereto.
- (2) If a Borrower repays, prepays or cancels an Advance, the Borrower shall indemnify the Lenders for any loss or expense suffered or incurred by such Lender including any loss of profit or expenses which such Lender incurs by reason of the liquidation or redeployment of deposits or other funds acquired by it to effect or maintain the Advance or any interest or other charges payable to lenders of funds borrowed by such Lender in order to maintain the Advance together with any other charges, costs or expenses incurred by such Lender relative thereto.
- (3) A certificate of the Agent setting out the basis for the determination of the amount necessary to indemnify the Lenders pursuant to this Section 3.16 shall be conclusive evidence, absent manifest error, of the correctness of such determination.

### **Section 3.17 Fees for Letters of Credit**

The Borrower shall pay the Letter of Credit Fee to the Agent, for the benefit of the Revolving Lenders, in respect of each Letter of Credit issued hereunder. The Borrower shall also pay the L\C Lender a fronting fee of 12.5 Basis Points on each Letter of Credit, payable in advance.

## **ARTICLE 4 BANKERS' ACCEPTANCES**

### **Section 4.1 Bankers' Acceptances Power of Attorney**

- (1) To facilitate the acceptance of Drafts hereunder, the Borrower hereby appoints each BA Lender, acting by such BA Lender's duly authorized signatories at the relevant time at each BA Lender's main branch in Toronto, Ontario or such other branch that such BA

Lender may notify the Borrower (the “**BA Branch of Account**”), as the attorney of the Borrower:

(a) to sign for and on behalf and in the name of the Borrower as drawer, Drafts in such BA Lender’s standard form drawn on such BA Lender payable to a “clearing house” under the DBNA or its nominee for deposit by such BA Lender with the “clearing house” after acceptance thereof by such BA Lender; and

(b) to fill in the amount, date and maturity date of such Drafts;

provided that such acts in each case are to be undertaken by each BA Lender in accordance with instructions given to it by the Borrower pursuant to the power of attorney set out in this Section 4.1.

(2) Instructions to each BA Lender relating to the execution, completion, discount and/or deposit by such BA Lender on behalf of the Borrower of Drafts which the Borrower wishes to submit to such BA Lender for acceptance by such BA Lender shall be communicated in writing to each BA Lender following delivery by the Borrower of a Drawdown Notice, Rollover Notice or Conversion Notice to the Agent pursuant to this Agreement, which Drawdown Notice, Rollover Notice or Conversion Notice, as applicable, shall be delivered by the Agent to each BA Lender and any Non BA Lender, and shall specify the following information:

(a) reference to the power of attorney contained in this Section 4.1;

(b) a Canadian Dollar amount, which shall be the face amount of the Drafts to be accepted by the BA Lender in respect of a particular Advance;

(c) a specified period of time as provided in this Agreement which shall be the number of days after the date of acceptance of such Drafts that such Drafts are to be payable, and the dates of issue and maturity of such Drafts; and

(d) payment instructions specifying the Borrower’s Account for purposes of crediting the Discount Proceeds.

(3) The communication in writing to each BA Lender of the instructions referred to in Section 4.1(2) above shall constitute the authorization and instruction of the Borrower to such BA Lender to complete and execute Drafts in accordance with such information as set out above and the request of the Borrower to such BA Lender to accept such Drafts and deposit the same with the “clearing house” against payment as set out in the instructions. The Borrower acknowledges that such BA Lender shall not be obligated to accept any such Drafts except in accordance with the provisions of this Agreement. Each BA Lender shall be and it is hereby authorized to act on behalf of the Borrower upon and in compliance with instructions communicated to such BA Lender as provided herein if such BA Lender reasonably believes them to be genuine.

(4) The Borrower agrees to indemnify each BA Lender and its directors, officers, employees, affiliates and agents and to hold it and them harmless from and against any

loss, liability, expense or claim of any kind or nature whatsoever incurred by any of them as a result of any action or inaction in any way relating to or arising out of this power of attorney or the acts contemplated hereby including the deposit of any Draft with the "clearing house"; provided that this indemnity shall not apply to any such loss, liability, expense or claim which results from the gross negligence or wilful misconduct of a BA Lender or any of its directors, officers, employees, affiliates or agents.

- (5) This power of attorney may be revoked by the Borrower at any time upon not less than five (5) Business Days' written notice served upon each BA Lender at the address set out in this Agreement, provided that (a) it may be replaced with another power of attorney forthwith in accordance with the requirements of each BA Lender; and (b) no such revocation shall reduce, limit or otherwise affect the obligations of the Borrower in respect of any Draft executed, completed, discounted and/or deposited in accordance herewith prior to the time at which such revocation becomes effective. This power of attorney may be terminated by each BA Lender at any time upon not less than five (5) Business Days' written notice to the Borrower.
- (6) This power of attorney is in addition to and not in substitution for any agreement to which a BA Lender and the Borrower are parties.
- (7) If this power of attorney is revoked or terminated, to facilitate the acceptance of Bankers' Acceptances hereunder, the Borrower shall from time to time as required by each BA Lender, provide each BA Lender with an appropriate number of executed Drafts drawn in blank by the Borrower in the form prescribed by each BA Lender. The Borrower may, at its option, execute any Draft by the facsimile signatures of any two (2) of its authorized signing officers, and the Borrower and each BA Lender are hereby authorized to accept or pay, as the case may be, any Draft of the Borrower which purports to bear such facsimile signatures notwithstanding that any such individual has ceased to be an authorized signing officer of the Borrower. Any such Draft so executed and completed or executed and completed pursuant to the power of attorney shall be as valid as if he or she were an authorized signing officer of the Borrower at the date of issue of the applicable Bankers' Acceptance. Any such Draft or Bankers' Acceptance, as the case may be, may be dealt with by each BA Lender to all intents and purposes and shall bind the Borrower as if duly signed in each signing officer's own handwriting and issued by the Borrower, and the Borrower shall hold each BA Lender harmless and indemnified against all loss, costs, damages and expenses arising out of the payment or negotiation of any such Draft or Bankers' Acceptance, as the case may be, resulting from such Drafts not having been duly signed other than any loss, costs, damages or expenses arising out of the gross negligence or wilful misconduct of such BA Lender. No such BA Lender shall be liable for any failure to accept a Draft or Bankers' Acceptance as required hereunder if the cause of such failure, in whole or in part, is due to the revocation or termination of the power of attorney or the failure of the Borrower to provide executed Drafts to such BA Lender on a timely basis.
- (8) The receipt by the Agent of a request for an Advance by way of Bankers' Acceptances shall be each applicable BA Lender's sufficient authority to complete, and each applicable BA Lender shall, subject to the terms and conditions of this Agreement,

complete and sign (as applicable) such Drafts in accordance with such request, and the Drafts so completed and signed (as applicable) shall thereupon be deemed to have been presented for acceptance.

#### **Section 4.2 Size and Maturity of Bankers' Acceptances, Rollovers and Conversions**

- (1) Each BA Advance shall be in an aggregate amount of not less than \$1,000,000 and in a whole multiple of \$100,000.
- (2) Each Bankers' Acceptance and corresponding BA Equivalent Advance shall have a term of not less than 28 days and not more than 182 days (or such shorter or longer term as the Revolving Lenders providing such Advance in their sole discretion may approve) commencing on the date of such Advance, Rollover or Conversion (the "**BA Interest Period**").
- (3) If a Bankers' Acceptance or BA Equivalent Advance matures on a day which is not a Business Day, then the Borrower shall be deemed to have selected a BA Interest Period the last day of which is the first Business Day following the last day of the BA Interest Period selected by the Borrower.
- (4) The face amount at maturity of a Bankers' Acceptance or BA Equivalent Advance may be Rolled Over as a Bankers' Acceptance or a BA Equivalent Advance or Converted into another form of Advance permitted by this Agreement upon the Borrower's irrevocable written notice, substantially in the form attached hereto as Exhibit "E" (a "**Rollover Notice**"), delivered to the Agent at or before the applicable time specified in Section 2.5(1) for Bankers' Acceptance.
- (5) The last day of the BA Interest Period for any BA Advance or BA Equivalent Advance made by a Revolving Lender under the Revolving Facility shall be on or before the Revolving Facility Maturity Date.

#### **Section 4.3 Co-ordination of BA Advances**

Each Revolving Lender shall advance its Proportionate Share of each Advance by way of Bankers' Acceptances and BA Equivalent Advances in accordance with the provisions set forth below:

(a) The Agent, promptly following receipt of a Drawdown Notice requesting an Advance by way of Bankers' Acceptances under the Revolving Facility, shall (i) notify each BA Lender under the Revolving Facility of the face amount of the Bankers' Acceptances to be accepted by it, and (ii) notify each Non BA Lender under such Revolving Facility of the face amount of its Notional Bankers' Acceptance. The aggregate face amount of Bankers' Acceptances to be accepted by a BA Lender and the face amount of the Notional Bankers' Acceptance for each Non BA Lender shall be determined by the Agent by reference to the respective Commitments of the Revolving Lenders under the Revolving Facility, provided that, if the face amount of a Bankers' Acceptance in the case of a BA Lender or the face amount of the Notional Bankers' Acceptance used to determine the amount of a BA Equivalent Advance in the case of a Non BA Lender would not be Cdn. \$100,000 or a whole multiple thereof, the face

amount shall be increased or reduced by the Agent in its sole discretion, to the nearest whole multiple of Cdn. \$100,000.

Whenever the Borrower requests an Advance by way of Bankers' Acceptances, each Non BA Lender shall, in lieu of accepting its Proportionate Share amount of such Bankers' Acceptances, make available to the Borrower on the Drawdown Date an Advance (a "**BA Equivalent Advance**") in Canadian Dollars and in an amount which would be equal to the Discount Proceeds of the Bankers' Acceptances (which Bankers' Acceptances are referred to herein collectively as "**Notional Bankers' Acceptances**") that such Non BA Lender would have been required to accept on the Drawdown Date if it were a BA Lender, calculated based on the Discount Rate. Each Non BA Lender shall also be entitled to deduct from the BA Equivalent Advance an amount equal to the applicable Acceptance Fee. All references in this Agreement to a "BA Advance" shall, unless otherwise expressly provided herein or unless the context otherwise requires, be deemed to include BA Equivalent Advances made by a Non BA Lender as part of an Advance by way of Bankers' Acceptances, and all references in this Agreement to a "Bankers' Acceptances" shall, unless otherwise expressly provided herein or unless the context otherwise requires, be deemed to include Notional Bankers' Acceptances.

(b) Subject to the terms and conditions of this Agreement, each BA Lender agrees to accept Drafts issued by the Borrower pursuant to this Section 4.3 and purchase such Bankers' Acceptances discounted at the applicable Discount Rate. Each BA Lender shall provide the Discount Proceeds thereof to the Agent in accordance with Section 4.3(c), less the Acceptance Fee payable to such BA Lender pursuant to Section 3.7. Each such BA Lender shall be entitled to sell, assign or otherwise transfer such Bankers' Acceptances to any Person without any notice to or the consent of any Borrower.

(c) Each BA Lender and Non BA Lender, as applicable, shall transfer to the Agent for value on each Advance Date immediately available Canadian Dollars in an aggregate amount equal to (i) in the case of a BA Lender, the Discount Proceeds of all Bankers' Acceptances accepted by it on such Drawdown Date (net of the applicable Acceptance Fee in respect of such Bankers' Acceptances), and (ii) in the case of Non BA Lenders, the amount of each BA Equivalent Advance (net of the applicable Acceptance Fee in respect of such BA Equivalent Advance) to be made by it on such Drawdown Date. The Agent may designate such offices in Toronto or Calgary as it may see fit for the purposes referred to in the preceding sentence. The Agent shall make such amounts received by it from the Revolving Lenders as aforesaid available to the Borrower by depositing the same for value on the applicable Drawdown Date to the Borrower's Account.

(d) The Borrower hereby authorizes each BA Lender to complete, stamp, hold, sell, rediscount or otherwise dispose of all Bankers' Acceptances accepted by it in accordance with the instructions provided by the Borrower hereunder or pursuant to the power of attorney referred to in Section 4.1.

#### **Section 4.4 Payment of Bankers' Acceptances and BA Equivalent Advances**

The Borrower shall provide for the payment to the Agent for the account of the applicable BA Lenders or Non BA Lenders, as the case may be, of the full face amount of each Bankers' Acceptance and each Notional Bankers' Acceptance issued under the Revolving Facility, on the earliest of (a) its date of maturity, and (b) the date on which the Agent (with the instructions of the Majority Lenders) demands payment of the Obligations outstanding under this Agreement.

#### **Section 4.5 Deemed Advance - Bankers' Acceptances**

Except for amounts which are paid from the proceeds of Rollovers of a Bankers' Acceptance and BA Equivalent Advances or another Advance or Conversion hereunder, any amount which a Revolving Lender pays to any third party on or after the date of maturity of a Bankers' Acceptance in satisfaction thereof or which is owing to such Lender by the Borrower in respect of such Bankers' Acceptance or BA Equivalent Advance on or after the date of maturity of such Bankers' Acceptance or BA Equivalent Advance shall be deemed to be a Prime Rate Loan under the Revolving Facility and the applicable Bankers' Acceptance or BA Equivalent Advance shall be deemed to have been Converted into such Prime Rate Loan. Each Revolving Lender shall forthwith give notice of the making of such Prime Rate Loan to the Agent (who shall promptly give similar notice to the Borrowers and the other Lenders). Interest shall be payable on such Prime Rate Loan in accordance with the terms hereof.

#### **Section 4.6 Waiver**

The Borrower shall not claim from a Revolving Lender or any other Person any days of grace for the payment at maturity of any Notional Bankers' Acceptances or any Bankers' Acceptances presented and accepted by a Revolving Lender pursuant to this Agreement. The Borrower waives any defence to payment which might otherwise exist if for any reason a Bankers' Acceptance shall be held by a Revolving Lender in its own right at the maturity thereof, and the doctrine of merger shall not apply to any Bankers' Acceptance that is at any time held by a Revolving Lender in its own right.

#### **Section 4.7 Degree of Care**

Any executed Drafts to be used as Bankers' Acceptances which are delivered to a Revolving Lender shall be held in safekeeping with the same degree of care as if they were such Revolving Lender's own property, and shall be kept at the place at which Drafts are ordinarily held by such Lender.

#### **Section 4.8 Obligations Absolute**

The obligations of the Borrower with respect to Bankers' Acceptances under this Agreement shall be unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including, without limitation, the following circumstances:

(a) any lack of validity or enforceability of any Draft accepted by a Revolving Lender as a Bankers' Acceptance; or

(b) the existence of any claim, set-off, defence or other right which the Borrower may have at any time against the holder of a Bankers' Acceptance, the Revolving Lenders (or any of them) or any other Person or entity, whether in connection with this Agreement or otherwise.

#### **Section 4.9 Discontinuance of CDOR**

(a) Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then if a Benchmark Replacement is determined in accordance with the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (Toronto time) on the 5th Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(b) In connection with the implementation of a Benchmark Replacement, the Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(c) The Agent will promptly notify the Borrower and the Lenders of (i) any occurrence of a Benchmark Transition Event or Early Opt-in Election, as applicable, and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (e) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 4.9, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 4.9.

(d) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including CDOR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate

from time to time as selected by the Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Agent may modify the definition of “Interest Period” for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Agent may modify the definition of “Interest Period” for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a borrowing of, conversion to or continuation of Bankers’ Acceptances to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to Prime Rate Advances. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of Prime Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of Prime Rate.

(f) For the purposes of this Section 4.9, the following terms have the following meanings:

(i) “Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to clause (e) of Section 4.9.

(ii) “Benchmark” means, initially, the CDOR Rate; provided that if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to the CDOR Rate or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (a) or (b) of Section 4.9.

(iii) “Benchmark Replacement” means, for any Available Tenor, for the applicable Benchmark Replacement Date, the sum of: (a) the alternate benchmark rate that has been selected by the Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for Canadian dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark

Replacement Adjustment. If the Benchmark Replacement as determined pursuant to the foregoing would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

(iv) “Benchmark Replacement Adjustment” means, with respect to any replacement of the then current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Agent and the Borrower for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Canadian dollar denominated syndicated credit facilities;

(v) “Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Prime Rate,” the definition of “Business Day,” the definition of “Interest Period,” the timing and frequency of determining rates and making payments of interest, the timing of borrowing requests or prepayment, conversion or continuation notices, the length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

(vi) “Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

(A) in the case of clause (A) or (B) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(B) in the case of clause (C) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein;

(C) in the case of an Early Opt-in Election, the 6th Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Agent has

not received, by 5:00 p.m. (Toronto time) on the 5th Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (A) or (B) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

(vii) “Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(A) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(B) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof) or

(C) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with

respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

(viii) “Benchmark Unavailability Period” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (A) or (B) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 4.9 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 4.9.

(ix) “Corresponding Tenor” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

(x) “Early Opt-in Election” means, if the then-current Benchmark is CDOR, the occurrence of:

(A) a notification by the Agent to (or the request by the Borrower to the Agent to notify) each of the other parties hereto that at least five currently outstanding Canadian dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a new benchmark interest rate to replace CDOR as a benchmark rate, and

(B) the joint election by the Agent and the Borrower to trigger a fallback from CDOR and the provision by the Agent of written notice of such election to the Lenders.

(xi) “Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to CDOR.

(xii) “Reference Time” the time determined by the Agent in its reasonable discretion.

(xiii) “Relevant Governmental Body” means the Bank of Canada or any central bank or other supervisor which is responsible for supervising either (1) the Benchmark Replacement or (2) the administrator of the Benchmark Replacement or (b) any working group or committee officially endorsed or convened by (1) the Bank of Canada, (2) any central bank or other supervisor that is responsible for supervising either (A) the Benchmark Replacement or (B) the administrator of the Benchmark Replacement, (3) a group of those central banks or other supervisors or (4) the Financial Stability Board or any part thereof.

(xiv) “Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

**ARTICLE 5  
LETTERS OF CREDIT**

**Section 5.1 Letters of Credit and Letters of Guarantee**

- (1) **General Terms.** Subject to the terms and conditions hereof, the Revolving Facility may be availed by the Borrower in the form of Letters of Credit. The Canadian Dollar Equivalent of the aggregate amount of all Letters of Credit issued and outstanding hereunder shall not at any one time exceed Cdn.\$8,000,000. Each Letter of Credit shall be in a minimum amount of Cdn.\$25,000 and shall be issued by the Issuing Bank under the Revolving Facility. Each Revolving Lender will be responsible to purchase its Proportionate Amount of any outstanding Letter of Credit. For purposes of calculating the amount of outstanding Advances under the Revolving Facility, and for other purposes of this Agreement, a Letter of Credit shall be deemed outstanding as of any time in an amount equal to the maximum amount which could be drawn thereunder under any circumstances and over any period of time plus any unreimbursed drawings then outstanding with respect thereto. If and to the extent any Letter of Credit expires or otherwise terminates without having been drawn upon, the availability under the Revolving Facility shall to such extent be reinstated.
- (2) **Term.** Each Letter of Credit issued hereunder shall expire not later than the earlier of (a) three hundred and sixty-five (365) days from the date of issuance and each renewal thereof or (b) the Revolving Facility Maturity Date.
- (3) **Currency.** Letters of Credit may be issued in all major currencies offered by the Issuing Bank and shall mature on a Business Day. No Advances by way of the issue of a Letter of Credit shall be used by the Borrower for the purpose of incurring contingent obligations of the type described in clause (a) of the definition of "Contingent Obligations".
- (4) **Drawings.** Any drawing under a Letter of Credit shall be funded by the Revolving Lenders by way of a Prime Rate Loan.
- (5) **Rollover.** Before the maturity date of any Letter of Credit, the Borrower shall notify the Issuing Bank if it wishes to issue a replacement Letter of Credit on the maturity date by delivering a Rollover Notice to the Agent at or before the applicable time specified in Section 2.5(1) for Letters of Credit. If the Borrower fails to provide a Rollover Notice in accordance with such timeline, the maturing Letter of Credit shall expire on its maturity date.
- (6) **Reimbursement.** The Borrower unconditionally and irrevocably authorizes the Issuing Bank to pay the amount of any demand made on the Issuing Bank under and in accordance with the terms of any Letter of Credit on demand without requiring proof of the Borrower's agreement that the amount so demanded was due and notwithstanding that the Borrower may dispute the validity of any such demand or payment. The Borrower shall reimburse the Issuing Bank on demand for any amounts paid by it from time to time as contemplated by this Section 5.1(6) and, without limiting the foregoing,

the Borrower shall indemnify and save the Issuing Bank harmless on demand from and against any and all other losses (other than lost profits), costs, damages, expenses, claims, demands or liabilities which it may suffer or incur arising in any manner whatsoever in connection with the making of any such payments as contemplated by this Section 5.1(6) (including, without limitation, in connection with proceedings to restrain the Issuing Bank from making, or to compel the Issuing Bank to make, any such payment). The foregoing indemnity shall survive payment of the Obligations in full and termination of this Agreement.

(7) ***Lenders Not Liable.*** The Issuing Bank shall not have any responsibility or liability for, or duty to inquire into, the authorization, execution, signature, endorsement, correctness, genuineness or legal effect of any certificate or other document presented to the Issuing Bank pursuant to any Letter of Credit if the Issuing Bank is acting in good faith and accordance with customary rules, other than to ensure that any demand for payment under a Letter of Credit is in compliance with the terms thereof (subject to minor variations or discrepancies in the documents presented in connection with such Letter of Credit which the Issuing Bank under customary rules is permitted to ignore in respect of a demand for payment under such Letter of Credit) and the Borrower fully and unconditionally assumes all risks with respect to the same and, without limiting the generality of the foregoing, all risks of the acts or omissions of any beneficiary of any Letter of Credit with respect to the use by any beneficiary of any Letter of Credit. Without limiting the foregoing, the Issuing Bank shall not be responsible for:

(a) the validity of certificates or other documents delivered under or in connection with any Letter of Credit that appear on their face to be in order, even if such certificates or other documents should in fact prove to be invalid, fraudulent or forged;

(b) errors, omissions, interruptions or delays in transmission or delivery of any messages by mail, cable, telegraph, telefax or otherwise, whether or not they are in code;

(c) errors in translation or for errors in interpretation of technical terms;

(d) any failure or inability of the Issuing Bank or any other Person to make payment under any Letter of Credit as a result of any Applicable Laws or by reason of any control or restriction rightfully or wrongfully exercised by any Person asserting or exercising governmental or paramount powers; or

(e) any other consequences arising in respect of a failure by the Issuing Bank to honour a Letter of Credit due to causes beyond the control of the Issuing Bank;

and none of the above shall affect or impair any of the rights or powers of the Revolving Lenders hereunder or the obligations of the Borrower under Section 5.1(6). In furtherance and not in limitation of the foregoing provisions, it is agreed that any payment made by the Issuing Bank in good faith under and in accordance with the terms of a Letter of Credit (subject to minor variations or discrepancies in the documents presented in connection with such Letter of Credit which the Issuing Bank under customary rules is permitted to ignore in respect of a demand for payment under such

Letter of Credit) shall be binding upon the Borrower and shall not result in any liability of the Agent or any of the Revolving Lenders to the Borrower and shall not lessen the obligations of the Borrower under Section 5.1(6).

- (8) **Overdue Amounts.** Without limiting any other provision of this Agreement, if the Borrower shall fail to reimburse the Issuing Bank in respect of any payments made by the Issuing Bank under a Letter of Credit as contemplated in Section 5.1(6), the Issuing Bank may at any time thereafter notify the Agent (which shall thereupon deliver a similar notice to each of the Revolving Lenders) of such failure and such notification shall be deemed to have been delivery of a request for a Prime Rate Loan in the amount of such payments on and subject to the terms hereof. Each Revolving Lender shall forthwith credit the account of the Issuing Bank with such Lender's Proportionate Amount of such payments.
- (9) **Acceleration.** Upon the Agent taking action under Section 14.2 or Section 14.2 becoming operative, the maximum amount of the contingent liability of the Issuing Bank under any Letter of Credit which is then outstanding shall immediately become due and payable notwithstanding that the Issuing Bank has not at such date been required to make payment under any such Letter of Credit. Any such amount deposited with the Issuing Bank shall be held by the Issuing Bank in a separate interest bearing collateral account in the name of the Borrower as security for the repayment of future indebtedness of the Borrower to the Issuing Bank in respect of Letters of Credit which are drawn, and, pending the expiry of all outstanding Letters of Credit, any amounts deposited with the Issuing Bank shall bear interest at the rate established by the Issuing Bank from time to time as that payable in respect of 30-day certificates of deposit of the Issuing Bank for monies of like amount. Any such amount deposited with the Issuing Bank shall be held in trust for the other Lenders, to the extent of each Revolving Lender's Proportionate Amount, and shall be distributed as and when required by this Agreement.
- (10) **Conflict.** Each Letter of Credit shall be subject to the Issuing Bank's customary Letter of Credit terms and procedures from time to time in effect and shall be in a form acceptable to the Issuing Bank. The Borrower shall execute and deliver such standard form applications (each, an "**Application**"), agreements, indemnities, bonds and other assurances as the Issuing Bank may require from time to time with respect to Letters of Credit requested by the Borrower. A Letter of Credit shall in no event contain provisions requiring the Issuing Bank to satisfy itself, prior to payment thereunder, as to any conditions for a drawing thereunder other than the presentation of prescribed documents. If the provisions set forth in the Issuing Bank's customary letter of credit documentation set forth terms of availability or cross collateralization of security beyond or inconsistent with that set forth herein, the provisions of this Agreement in respect thereof shall prevail.
- (11) **Non-Sharing.** Notwithstanding Article 10 of the CBA Model Provisions, prior to the occurrence and continuation of any Event of Default, with respect to the Revolving Lenders, the Issuing Bank may obtain any payment in any manner whatsoever in respect of any Letter of Credit, retain such payment and apply same against the

obligations of the Borrower in respect of Letters of Credit and other amounts owing in respect of any Letter of Credit (including, without limitation, interest) and shall have no obligation to remit to or share with any Lender such payment.

- (12) ***Provisions Relating to Letters of Credit.*** Notwithstanding any other provision of this Agreement, the Issuing Bank is the sole issuer of Letters of Credit under the Revolving Facility and for greater certainty, the maximum aggregate amount of Letters of Credit that could be outstanding at any time shall be deducted from the availability of the Issuing Bank to make an Advance. The provisions of this Agreement do not apply to Letters of Credit to the extent that the provisions contemplate the participation by any Lender other than the Issuing Bank in issuing Letters of Credit and receiving payments in respect of Letters of Credit. All Letters of Credit shall be made solely by the Issuing Bank and records concerning such Prime Rate Loans shall be maintained solely by the Issuing Bank. All payments of principal, interest, fees and other amounts relating to Letters of Credit shall be issued solely to the Issuing Bank. Any notices by the Borrower in connection with the issuance of Letters of Credit shall be made to the Issuing Bank.

## **ARTICLE 6 MASTERCARD ADVANCES**

### **Section 6.1 MasterCard Advances**

Subject to the terms and conditions hereof, the Swingline Facility may be availed by the Borrower through the use of a corporate MasterCard issued by Bank of Montreal at the request of the Borrower to any Credit Party. Bank of Montreal shall issue each MasterCard requested by the Borrower upon the completion of, and in accordance with, a MasterCard Agreement and other documents customarily required by Bank of Montreal in connection with the issuance of corporate MasterCards, Loans and advances (“**MasterCard Advances**”) made through any such MasterCard pursuant to a MasterCard Agreement shall be disbursed and otherwise dealt with in accordance with and subject to the provisions of such MasterCard Agreement and other documents. Interest and fees in connection with the MasterCard Advances shall be calculated and paid at the rates and at the times set out in such MasterCard Agreement and other documents. The aggregate amount of all MasterCard Advances shall not at any time exceed the MasterCard Limit.

### **Section 6.2 Maturity of MasterCard Advances**

The outstanding amount of all MasterCard Advances, including accrued and unpaid interest thereon, shall mature and become due and payable in full by the Borrower on the earlier of (a) the date specified in the MasterCard Agreement, and (b) the Revolving Facility Maturity Date.

**ARTICLE 7  
[RESERVED]**

**ARTICLE 8  
[RESERVED]**

**ARTICLE 9  
PAYMENTS AND REPAYMENTS OF FACILITIES**

**Section 9.1 Place and Application of Payments and Collections**

- (1) Unless otherwise specified hereunder, all payments of principal, interest, fees and all other Obligations payable hereunder and under the other Credit Documents shall be made to the Agent at its office at the address set out on the signature page hereof (or at such other place as the Agent may specify). All such payments shall be made in the currency in which such Obligations are denominated, in immediately available funds at the place of payment, without set-off or counterclaim and without reduction for, and free from, any and all present or future taxes, levies, imposts, duties, fees, charges, deductions, withholdings, restrictions or conditions of any nature imposed by any government or any political subdivision or taxing authority thereof (but excluding any taxes imposed on or measured by the net income of the Lenders).
- (2) The Borrower hereby irrevocably waives the right to direct the application of payments and collections at any time received by the Agent from or on behalf of the Borrower, and the Borrower hereby irrevocably agrees that the Agent shall have the continuing exclusive right to apply and reapply any and all such payments and collections received at any time by the Agent (including payments received pursuant to Section 9.4(1)) against the Obligations in such manner as the Agent determines appropriate.
- (3) The Borrower hereby irrevocably authorizes the Agent to charge any Blocked Account or other Deposit Account for the amounts from time to time necessary to pay any then due Obligations; provided that the Borrower acknowledges and agrees that the Agent shall be under no obligation to do so and the Agent shall incur no liability to the Borrower or any other Person for the Agent's failure to do so.

**Section 9.2 Maturity of Advances under Revolving Facility**

The Borrower shall repay in full the outstanding Principal Amount of all Advances under the Revolving Facility (including the Swingline Facility), and all accrued and unpaid interest thereon, on the Revolving Facility Maturity Date.

**Section 9.3 Scheduled Repayment of Term Facility**

The Borrower shall repay in full all outstanding amounts under the Term Facility, including any outstanding Principal Amount and accrued and unpaid interest thereon, on the Term Facility Maturity Date. The Borrower may not prepay any outstanding Principal Amount or interest under the Term Facility without the prior written consent of all of the Revolving Lenders, which consent shall be subject to such terms and conditions as the Revolving Lenders may agree, except for:

- (a) any prepayment in whole or in part of the outstanding Principal Amount of the Term Loans and accrued and unpaid interest thereon provided that: (A) the Borrower provides the Agent with not less than fifteen (15) days' prior written notice of its intention to make such prepayment, (B) the Fixed Charge Coverage

Ratio for the Fiscal Quarter ended prior to the date on which the Borrower intends to make such prepayment, as calculated in the Compliance Certificate delivered to, and agreed to by, the Agent pursuant to Section 13.1(5) in respect of such Fiscal Quarter, is greater than 1.15:1.00; (C) a pro forma Compliance Certificate for the period beginning on the day of such proposed prepayment and ending March 31, 2021 demonstrates to the Agent's satisfaction (taking into account, to the extent the Agent may decide, in its sole discretion, any consultation with Deloitte LLP and/or any of its other advisors) monthly Fixed Charge Coverage Ratio projections (taking into account such prepayment and related interest payments) of at least 1.15:1.00 for each Twelve Month Period ending on the last day of each month during such period; (D) no Default or Event of Default exists at the time of the proposed prepayment or would exist immediately after such proposed prepayment; and (E) concurrently with the making of such prepayment, the Term Facility Commitment shall be permanently reduced in an amount equal to such prepayment; and

- (b) pursuant to a Permitted Refinancing in accordance with Section 9.4(4).

#### **Section 9.4 Mandatory Repayments**

- (1) **Excess Amounts.** The Borrower covenants and agrees that if at any time the Aggregate Revolver Outstandings under the Revolving Facility exceed the lesser of the Revolving Commitment or the Borrowing Base, or any other limit set out herein is exceeded at any time, for any reason whatsoever (the amount by which the applicable limit is exceeded being herein referred to as the "**Excess Amount**"), the Borrower shall immediately and without notice or demand prepay the Revolving Facility to the extent necessary to ensure compliance with this Agreement.
- (2) **Asset Dispositions.** All proceeds derived from the sale or disposition (whether voluntary or involuntary) of ABL Collateral shall be deposited into one or more Blocked Accounts promptly upon receipt thereof for application (i) firstly, to pay all expenses incurred by the Agent and all amounts owing to the Agent in its capacity as Agent, (ii) secondly, to the payment of any outstanding Obligations under the Revolving Facility, and (iii) thirdly, to the payment of any outstanding Obligations under the Term Facility.
- (3) **Insurance Proceeds.** All insurance proceeds which may become payable to any Credit Party in respect of any ABL Collateral shall be deposited into one or more Blocked Accounts promptly upon receipt thereof for application (i) firstly, to pay all expenses incurred by the Agent and all amounts owing to the Agent in its capacity as Agent, (ii) secondly, to the payment of any outstanding Obligations under the Revolving Facility, and (iii) thirdly, to the payment of any outstanding Obligations under the Term Facility.
- (4) **Permitted Refinancing.** All proceeds in respect of a Permitted Refinancing shall, concurrently upon receipt thereof, be applied as a prepayment in whole (but not in part) of the outstanding Principal Amount of the Term Loans and accrued and unpaid interest thereon.

### **Section 9.5 Repayment of Swingline Advances**

The Swingline Lender may, in its sole discretion, give notice to the Agent who shall forthwith notify the Revolving Lenders and the Borrower that the principal amount of its outstanding Advances under the Swingline Facility shall be funded with an Advance under the Revolving Facility in which case an Advance under the Revolving Facility (making such Advance, a “**Mandatory Borrowing**”) shall be made on the next Business Day by all Revolving Lenders so that immediately after the Mandatory Borrowing, each Revolving Lender shall share rateably, based on such Revolving Lender’s Commitment, in the outstanding Principal Amount of all Advances under the Revolving Facility and the proceeds of such Mandatory Borrowing shall be applied directly by the Agent to repay all outstanding Advances under the Swingline Facility to the Swingline Lender. Each Revolving Lender shall make an Advance pursuant to a Mandatory Borrowing in the amount and in the manner specified in writing by the Agent notwithstanding (a) that the amount of the Mandatory Borrowing may not comply with the minimum amount for an Advance otherwise required under this Agreement; (b) that the conditions specified herein are not satisfied; (c) that the Agent has provided notice that a Default or an Event of Default has occurred and is continuing; and (d) the date of such Mandatory Borrowing.

### **Section 9.6 [Reserved]**

### **Section 9.7 No Set-Off**

All payments to be made by the Borrower shall be made without set-off or counterclaim and without any deduction of any kind.

### **Section 9.8 Extension of Maturity Dates**

- (1) The Agent shall give not less than 30 days prior written notice to Canso of any extension of the Revolving Facility Maturity Date.
- (2) Subject to clauses (b) and (c) of the definition of Term Facility Maturity Date, upon an extension of the Revolving Facility Maturity Date, the Term Facility Maturity Date shall be deemed to have automatically been extended one hundred and eighty (180) days beyond such extended Revolving Facility Maturity Date.

## **ARTICLE 10 COLLATERAL**

### **Section 10.1 ABL Collateral**

On the Closing Date, as continuing collateral security for the payment and performance of all Obligations of the Credit Parties to the Agent and the Lenders, the following Security shall be delivered or caused to be delivered, in form and substance satisfactory to the Lenders:

- (1) a Guarantee from each such Credit Party (other than the Borrower) guaranteeing the due payment and performance of all present and future Obligations of the other Credit Parties to the Agent and the Lenders under the Credit Documents;

- (2) a security agreement from each such Credit Party in favour of the Agent, on behalf of the Lenders, constituting a first-priority Lien (subject to Permitted Liens) on all ABL Collateral of such Credit Party;
- (3) an assignment of the interest of each such Credit Party in all insurance policies held by or for the benefit of such Credit Party;
- (4) a Blocked Account Agreement from each such Credit Party that maintains a Deposit Account pursuant to which among other things, a Lien (subject to Permitted Liens) is acknowledged to have been granted to the Agent, on behalf of the Lenders, in such Credit Party's Deposit Accounts; and
- (5) such other security agreements as may be reasonably requested by the Agent from time to time relating to the ABL Collateral and any proceeds therefrom.

## **Section 10.2 ABL Collateral Proceeds**

CESI and the Borrower shall, and shall cause each other Credit Party to, deposit all proceeds of ABL Collateral promptly upon receipt thereof into one or more Blocked Accounts (in the same form as received). Any proceeds of ABL Collateral received by any Credit Party, whether or not deposited into a Blocked Account, shall be held in trust for the Agent and the Lenders in the same form in which received and shall not be commingled with any other assets of such Credit Party. Subject to any specific arrangement explicitly set out in a Blocked Account Agreement, no amounts deposited in a Blocked Account shall be released to any Credit Party, but shall instead be applied on a daily basis to, or otherwise held for application to, or as Security for, the outstanding Obligations of the Credit Parties to the Agent and the Lenders (to be applied in accordance with Section 14.5 and 16.4 of this Agreement), it being understood and agreed that, notwithstanding such application, the Borrower shall have the right to obtain additional Advances under this Agreement subject to the terms and conditions hereof.

## **Section 10.3 [Reserved]**

## **Section 10.4 Additional Credit Parties**

The Borrower shall ensure that each Person that becomes a Subsidiary of the Borrower, CESI or a Credit Party after the Closing Date and that is not a party hereto shall forthwith execute and deliver to the Agent a guarantee and other Security Documents similar to those delivered by the other Credit Parties including such legal opinions and other supporting documents as the Agent reasonably requires.

# **ARTICLE 11 CONDITIONS PRECEDENT**

## **Section 11.1 Conditions Precedent to Disbursements of Advances**

- (1) The effectiveness of this Agreement and the obligation of the Lenders to make any additional Advances under the Facilities on or after the Closing Date is subject to and conditional upon the satisfaction of the following conditions:

(a) ***Delivery of Credit Documents.*** The Agent shall have received sufficient copies, in form and substance satisfactory to the Agent, of the following:

(i) this Agreement, the Confirmation Agreement, the Intercreditor Agreement, the Fee Letter and each of the Security Documents described in Section 10.1 and all other Credit Documents including those set out in Schedule 11.1(1)(a)(i) (collectively, the “**Closing Documents**”) duly executed by all the parties thereto (other than the Agent and the Lenders);

(ii) all account assignment agreements as the Agent and the Lenders may require;

(iii) copies of all transfer, assignment, wind-up, dissolution and other legal agreements or documentation required to give effect to the 2020 Reorganization;

(iv) a Borrowing Base Certificate prepared on a *pro forma* basis taking into account the 2020 Reorganization;

(v) a Compliance Certificate prepared on a *pro forma* basis taking into account the 2020 Reorganization;

(vi) a Certificate of an Authorized Representative of each Credit Party that will exist following the completion of the 2020 Reorganization with respect to its constating documents and by-laws and the due authorization, execution and delivery of this Agreement and all Closing Documents to which it is a party and all the transactions contemplated hereby and thereby, and confirming that all representations and warranties contained in this Agreement are true and correct as if made on the date of the Certificate;

(vii) a good standing, status or compliance certificate (as applicable) for each of the Credit Parties that will exist following the completion of the 2020 Reorganization from the applicable government office in the jurisdiction of its incorporation and each jurisdiction in which it is qualified to do business;

(viii) opinions of counsel to ClearStream and each of the Credit Parties that will exist following the completion of the 2020 Reorganization, addressed to the Agent, each Lender and the Agent’s counsel with respect to, *inter alia*, due authorization, execution, delivery, and enforceability of this Agreement, the Closing Documents and the creation, validity and perfection of the security interests constituted by the Security;

(ix) duly executed and binding certificate(s) of insurance evidencing the insurance required under this Agreement, that: (A) all losses under all insurance policies relating to ABL Collateral are payable to the Agent, as first loss payee, (B) the Agent has been added as an additional insured in respect of all liability policies, and (C) that the Agent will be given at least 30 days prior written notice of any cancellation or termination of any policy; and

(b) ***Registration of Security.*** All registrations, recordings and filings of or with respect to the Security provided by a Credit Party which in the opinion of counsel to the Agent are necessary to render effective the Liens intended to be created thereby shall have been made.

(c) **Deposit Accounts.** All Deposit Accounts of the Credit Parties and all cash management services shall be maintained with Bank of Montreal, other accounts permitted by the Agent.

(d) **Business Names.** Each of the following names have been registered as business names of CESI in the Province of Alberta: (i) ClearStream Energy Holdings Inc., (ii) ClearStream Contracting, (iii) ClearStream Environmental Consulting Services, (iv) Universal Weld Overlays, and (v) UWO.

(e) **Pro Forma Financials.** The Agent received satisfactory *pro forma* monthly financial projections for CESI (taking into account the 2020 Reorganization) including a balance sheet and an income statement for the Fiscal Year ending December 31, 2021.

(f) **Fees.** All fees payable in accordance with this Agreement on or before the Closing Date (including legal fees and expenses of the Agent) shall have been paid.

(g) **Sixth Supplemental Senior Secured Trust Indenture.** The Agent shall have received, in form and substance satisfactory to the Agent, the Sixth Supplemental Senior Secured Trust Indenture, duly executed by all the parties thereto.

(h) **AECOM Facility.** The Agent shall have received, in form and substance satisfactory to the Agent, the AECOM Facility Agreement and each of the guarantees and security documents referenced in Schedule 1.1(A) attached hereto, duly executed by all the parties thereto.

(i) **MNP Step Plan.** The Agent shall have received, in form and substance satisfactory to the Agent, a copy of the MNP Step Plan.

(j) **Due Diligence.** Each Lender and the Agent completed its business, legal and accounting due diligence with the respect to the 2020 Reorganization and the Credit Parties resulting therefrom.

## **Section 11.2 Conditions Precedent to All Advances**

The obligation of the Lenders to make available any Advance (except Rollovers or Conversions, including the first Advance, are subject to and conditional upon each of the conditions below being satisfied on the applicable Drawdown Date:

(a) **No Default.** No Default or Event of Default has occurred and is continuing on the Drawdown Date, or would result from making the Advance.

(b) **Representations Correct.** The representations and warranties contained in Section 12.1 shall be true and correct in all material respects (except where such representation or warranty is already qualified by materiality, in which case such representation or warranty must be true and correct in all respects) on each Drawdown Date as if made on that date.

- (c) **No Breach of Laws.** Such Advance shall not violate any order, judgment or decree of any court or other authority or any provision of law or regulation applicable to the Lenders as then in effect.
- (d) **Notice of Advance.** The Borrower shall have provided notice in respect of such Advance as required hereunder.
- (e) **Borrowing Base Certificate.** With respect to an Advance under the Revolving Facility, the Borrower shall have provided a current Borrowing Base Certificate as required pursuant to Section 13.1(5)(a).
- (f) **Certain Advances.** The Borrower shall execute and deliver to the applicable Lender, customary credit documentation required by the applicable Lender from time to time in connection with each Letter of Credit and Bankers' Acceptance, as the case may be.

### **Section 11.3 Waiver of any Condition Precedent**

The conditions stated in Section 11.1 and Section 11.2 are for the sole benefit of the Agent and the conditions stated therein may only be waived by the Agent, and any such waiver may be made in whole or in part, with or without terms or conditions and in respect of all or any portion of the Advances, without affecting the right of the Agent to assert terms and conditions in whole or in part in respect of any other future Advance.

## **ARTICLE 12 REPRESENTATIONS AND WARRANTIES**

### **Section 12.1 Representations and Warranties of the Credit Parties**

The Borrower makes the following representations and warranties, all of which shall survive the execution and delivery of this Agreement, and the Borrower acknowledges and confirms that each Lender and the Agent are, among other things, relying upon such representations and warranties as a basis for its decision to enter into this Agreement and to make Advances hereunder:

- (a) **Status.** Each Credit Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation and it has the power and authority to own its property and assets and to transact the business in which it is engaged and presently proposes to engage. Each Credit Party is duly qualified to carry on its business, and is in good standing, in each jurisdiction where the ownership, leasing or operation of its property or the conduct of its business requires such qualification, except where not being so qualified would not have a Material Adverse Effect.
- (b) **Power and Authority.** Each Credit Party (whether existing prior to or following the completion of the 2020 Reorganization) has the corporate or other equivalent power to execute, deliver and perform the terms and provisions of each Credit Document to which it is a party and has taken all necessary action to authorize the

execution, delivery and performance by it of each Credit Document to which it is a party. Each Credit Party (whether existing prior to or following the completion of the 2020 Reorganization) has duly executed and delivered each Credit Document to which it is a party, and each such Credit Document constitutes its legal, valid and binding obligation enforceable against it in accordance with its terms, subject to applicable bankruptcy, reorganization, moratorium or similar laws affecting creditors' generally, the fact that specific performance and injunctive relief may only be given at the discretion of the courts, and the equitable or statutory powers of the courts to stay proceedings before them and to stay the execution of judgments.

- (c) **No Violation.** Neither the execution, delivery or performance by each Credit Party of the Credit Documents to which it is a party, nor compliance by it with the terms and provisions thereof, contravenes any Applicable Law, conflicts with or results in any breach of any of the terms, covenants, conditions or provisions of, or constitutes a default under, or results in the creation or imposition of (or the obligation to create or impose) any Lien (except pursuant to the Credit Documents) upon any of its property or assets pursuant to, any indenture, mortgage, deed of trust, credit agreement, loan agreement or any other agreement or instrument to which it is a party or by which it or any of its property or assets is bound or to which it may be subject, or breaches or violates any provision of its constating documents or any Contractual Obligation to which it is a party.
- (d) **Business and Operations.** The business and operations of each Credit Party, and the locations thereof, are accurately described in Schedule 12.1(d).
- (e) **Approvals.** Except as set forth in Schedule 12.1(e), no order, consent, certificate, approval, permit, license, authorization or validation of, or filing, recording or registration with, or exemption by, any Person (including any Governmental Authority, shareholder, member, partner or other owner of Issued Equity, or any Person that is party to a Contractual Obligation of any Credit Party) is required to authorize, or is required in connection with, the execution, delivery or performance by any Credit Party of any Credit Document to which it is a party, or the legality, validity, binding effect or enforceability with respect to it of any such Credit Document, or the consummation of the transactions contemplated therein, other than filings and recordings with respect to the ABL Collateral to be made, or otherwise delivered to the Agent for filing or recordation, on or prior to the Closing Date.
- (f) **Security Documents.** The Security Documents create, and grant to the Agent, valid and enforceable first priority Liens upon the ABL Collateral, subject only to the terms of this Agreement and to Permitted Liens, on the terms set out therein, and the Security Documents have been registered or recorded, as applicable, in all places where registration or recording, as applicable, is necessary to perfect the charges and security interests created thereby.

(g) ***Title to ABL Collateral.*** Each Credit Party has good and marketable title to all of its ABL Collateral and its Equipment, free and clear of all Liens, other than Permitted Liens.

(h) ***Financial Statements; Financial Condition; Undisclosed Liabilities.***

(i) The Audited Financial Statements submitted to the Agent for the Fiscal Year ended 2019, present fairly, in all material respects and all Financial Statements submitted to the Agent during the term of this Agreement, present or will present fairly (subject, in the case of any interim Financial Statements prepared by management of the applicable Person in the Borrower, to normal year-end adjustments), the financial position of such Person and of each Credit Parties as at the date thereof and the results of operations and cash flows, on a consolidated or unconsolidated basis, as applicable, for the periods covered thereby, and all such Financial Statements have been, or will be, as applicable, prepared in accordance with GAAP. Since December 31, 2019, there has been no Material Adverse Change.

(ii) Except as fully reflected in the Financial Statements described in Section 12.1(h), there are no liabilities or obligations with respect to any Credit Party of any nature whatsoever (whether absolute, accrued, contingent or otherwise and whether or not due) which, either individually or in aggregate, would be material; and no Credit Party is aware of any basis for the assertion against it of any liability or obligation of any nature whatsoever that is not fully reflected in the Financial Statements described in Section 12.1(h) that, either individually or in the aggregate, would be material.

(i) **[Reserved]**

(j) ***Litigation.*** There are no Claims that could reasonably be expected to have a Material Adverse Effect.

(k) ***Disclosure.*** No Credit Document furnished to the Agent by or on behalf of any Credit Party for use in connection with the transactions contemplated hereby contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances in which the same were made. There are no facts known (or which should upon the reasonable exercise of diligence be known) to any Credit Party (other than matters of a general economic nature) that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect and that have not been disclosed herein or in the other Credit Documents furnished to the Agent for use in connection with the transactions contemplated hereby.

(l) ***Taxes.*** Except as set forth on Schedule 12.1(l) or as otherwise permitted pursuant to Section 13.1(3), (i) all Tax returns and reports required to be filed by each Credit Party for its five most recent taxation years or Fiscal Years have been filed in a timely manner, and all Taxes due and payable on such Tax returns, and all assessments, fees and other governmental charges levied against any Credit Party, and upon their respective assets, have been paid when due; and (ii) no Credit

Party has received notice of any proposed tax audits with respect to any Credit Party, or of any tax assessments against any Credit Party, that are not being actively contested in good faith by appropriate proceedings by the applicable Credit Party and in respect of which adequate reserves or other appropriate provisions, if any, have been made in accordance with GAAP and the details thereof have been provided to the Agent to its satisfaction.

- (m) **Equity Interests.** Schedule 12.1(m) (i) sets forth a true and complete list of all Subsidiaries of the Borrower and of each other Credit Party, in effect immediately prior to and upon completion of the 2020 Reorganization, each registered owner of Equity Interests in the Borrower, each Subsidiary thereof and each other Credit Party and the number and percentage ownership of such Equity Interests held by each such owner thereof, and (ii) includes an organizational chart of CESI in effect immediately prior to and upon completion of the 2020 Reorganization.
- (n) **No Restrictions.** There is no encumbrance or restriction on the ability of any Credit Party to (i) pay dividends or make any other distributions on its Equity Interests, or to pay any Debt owed by it, (ii) make loans or advances, or (iii) transfer any of its properties or assets, except, in each case, such encumbrances or restrictions existing under or by reason of (A) Applicable Law, (B) this Agreement or the other Credit Documents, (C) customary provisions restricting subletting or assignment of any lease governing any of its leasehold interests, (D) customary provisions restricting the assignment of contracts, permits and/or licenses, (E) the Senior Secured Indenture, or (F) the AECOM Facility Debt.
- (o) **Compliance with Applicable Laws.** Each Credit Party (i) has obtained and is in compliance with all Governmental Approvals that are necessary for the conduct of its business as presently conducted, and as contemplated by it to be conducted, and the use of its property and assets (both real and personal), each of which is in full force and effect, is a good, valid and subsisting approval that has not been surrendered, forfeited or become void or voidable, and (ii) is in compliance in all material respects with all Applicable Laws, including any Requirement of Environmental Law.
- (p) **Labour Matters.** There are no strikes or other labour disputes against any Credit Party that are pending or, to the knowledge of each Credit Party, threatened. All payments due from any Credit Party on account of employee insurance of any kind and vacation pay have been paid or accrued as a liability on its books and each Credit Party has withheld and remitted all amounts on behalf of all employees of such Credit Party required to be withheld or remitted by it, and has made all employer contributions to be made by it, in each case, in accordance with Applicable Laws. There is no obligation of any Credit Party under any collective agreements or under any consulting or management agreement requiring payments which cannot be cancelled without material liability. Each Credit Party is in material compliance with the terms and conditions of all consulting agreements, management agreements and employment agreements, if

any. There is no organizing activity involving any Credit Party or, to the knowledge of any Credit Party, threatened by any labour union or group of employees. No labour union or group of employees has made a pending demand for recognition. There are no complaints or charges against any Credit Party pending or threatened to be filed with any Governmental Authority or arbitrator based on, arising out of, in connection with, or otherwise relating to the employment or termination of employment of any individual by any Credit Party.

- (q) **Insurance.** Each Credit Party maintains insurance in compliance with Section 13.1(4) and all premiums and other sums of money payable for that purpose have been paid.
- (r) **Locations of ABL Collateral.** All of the ABL Collateral and the Equipment is located at the Permitted Collateral Locations or is in transit to or from such locations. There are no material account debtors of any Credit Party resident outside of Canada that are not insured to at least 90% of their book value.
- (s) **Intellectual Property.** All Intellectual Property owned or used by any Credit Party is listed on Schedule 12.1(s).
- (t) **Real Property.** All Real Property Interests of each Credit Party and the nature of its interest (both registered and beneficial) therein, is correctly set forth on Schedule 12.1(t). Each Credit Party has legal and marketable title to all of its Real Property Interests, free and clear of all Liens other than Permitted Liens.
- (u) **Environmental Matters.** Other than as described in Schedule 12.1(u), no Credit Party is subject to any civil or criminal proceeding or investigation relating to Requirements of Environmental Laws and is not aware of any threatened proceeding or investigation that, in each case, could reasonably be expected to cause or constitute a Material Adverse Effect. Each Credit Party has all material permits, licenses, registrations and other authorizations required by the Requirements of Environmental Laws for the operation of its business and the properties which it owns, leases or otherwise occupies. Each Credit Party currently operates its business and its properties (whether owned, leased or otherwise occupied) in compliance with all applicable Requirements of Environmental Laws where the failure to so comply could not reasonably be expected to have a Material Adverse Effect. No Hazardous Substances are or have been stored or disposed of by any Credit Party or otherwise used in violation of any applicable Requirements of Environmental Laws where the failure to so comply could not reasonably be expected to have a Material Adverse Effect (including, without limitation, there has been no Release of Hazardous Substances by any Credit Party at, on or under any property now or previously owned or leased by any Credit Party that have, or could reasonably be expected to have, a Material Adverse Effect). No real property or groundwater in, on or under any property now or previously owned or leased by any Credit Party is or has been during such Credit Party's ownership or occupation of such property contaminated by any Hazardous Substance except for any contamination that

would not reasonably be expected to give rise to liability under Requirements of Environmental Laws that would have a Material Adverse Effect nor, to the knowledge of such Credit Party, is any such property named in any hazardous waste or contaminated sites maintained under any Requirements of Environmental Law.

- (v) **No Defaults.** No Credit Party is in default in the performance, observance or fulfillment of any of its obligations, covenants or conditions contained in any Contractual Obligations, and no condition exists which, with the giving of notice or the lapse of time or both, could constitute such a default, except in each case where the consequences, directly or indirectly, of such default or defaults, if any, could not reasonably be expected to have a Material Adverse Effect.
- (w) **Material Contract.** All Material Contracts are listed on Schedule 12.1(w), and a true and complete copy of each Material Contract has been provided to the Agent. All Material Contracts are in full force and effect, and there are no defaults thereunder.
- (x) **Debt.** The Credit Parties have no Debt outstanding other than Permitted Debt.
- (y) **Employee Benefit Plans.** No Credit Party sponsors, contributes to or administers any Canadian Pension Plans. All obligations of each Credit Party (including fiduciary, contribution, funding, investment and administration obligations) required to be performed in connection with the Employee Benefit Plans and any funding agreements therefor under the terms thereof and applicable statutory and regulatory requirements, have been performed in a timely and proper fashion. There have been no improper withdrawals or applications of the assets of any Credit Party's Employee Benefit Plans. There are no outstanding material disputes concerning the assets or liabilities of any Credit Party's Employee Benefit Plans.
- (z) **Solvency.** Each Credit Party is Solvent.
- (aa) **Default.** No Default or Event of Default has occurred which is continuing.
- (bb) **Receivables.**
  - (i) Each Receivable included in any Borrowing Base is valid and subsisting and arises out a bona fide sale of Inventory sold and delivered by the applicable Credit Party to, or in the process of being delivered to, or out of and for services theretofore actually rendered by it to, the account debtor named therein.
  - (ii) No Receivable included in any Borrowing Base is evidenced by any instrument or chattel paper unless such instrument or chattel paper has been endorsed by the owner thereof and delivered to the Agent (except to the extent the Agent specifically requests the owner thereof not to do so with respect to any such instrument or chattel paper).

(iii) No surety bond was required or given in connection with any Receivable included in any Borrowing Base or the contracts or purchase orders out of which the same arose.

(iv) The amount of each Receivable included in any Borrowing Base represented as owing thereunder is the correct amount of such Receivable actually and unconditionally owing, except for normal cash discounts on normal trade terms in the ordinary course of business.

(v) The amount of each Receivable included in any Borrowing Base represented as owing is not disputed and is not subject to any set-off, credits, deductions or counterclaims other than those arising in the ordinary course of the applicable Credit Party's business.

(cc) ***Inventory, Equipment and Receivables.***

(i) All books and records, information technology and other assets required to collect the Receivables of any Credit Party are located at a location described in paragraph (a) of the definition of Specified Permitted Collateral Locations.

(ii) All Inventory and Equipment is located at a Permitted Collateral Location.

(iii) All Inventory is new and unused and in good and merchantable condition, and no Inventory is or will be consigned to any other Person without the Agent's prior written consent.

(dd) ***Deposit Accounts.*** The location, description and beneficiary of each Deposit Account are accurately set forth on Schedule 12.1(dd).

(ee) ***Quantum Murray.*** Quantum Murray LP does not own any assets other than the QM Assets or have any liabilities other than the liabilities arising under, out of or in connection with the QM Litigation.

(ff) ***Head Office.*** The Borrower's head office is located in the Province of Alberta.

(gg) ***Term Facility.*** The proceeds of all Advances made under the Term Facility were used in accordance with the terms of the Third Amended Credit Agreement.

## **Section 12.2 Deemed Repetition**

The representations and warranties made in Section 12.1 shall be deemed to be repeated upon completion of the 2020 Reorganization, on the last Business Day of each month, each Drawdown Date, Rollover Date and Conversion Date, and as of the last day of each Fiscal Quarter, as if made on and as of each such date unless specifically made as of a certain date.

### **Section 12.3 Representations and Warranties of Canso and the Term Lenders**

- (1) Canso makes the following representations and warranties, all of which shall survive the execution and delivery of this Agreement, and acknowledges and confirms that the Agent is relying upon such representations and warranties:
  - (a) each Term Lender is a fully managed account of Canso within the meaning of National Instrument 45-106 – Prospectus Exemptions of the Canadian Securities Administrators; and
  - (b) Canso has been duly organized under the laws of its jurisdiction of incorporation and is validly existing and all approvals necessary for Canso, for and on behalf of each Term Lender, to execute and deliver this Agreement and any other Credit Document to which any Term Lender is a party and to perform its obligations thereunder have been obtained.
  
- (2) Each Term Lender makes the following representations and warranties, all of which shall survive the execution and delivery of this Agreement, and acknowledges and confirms that the Agent is relying upon such representations and warranties:
  - (a) this Agreement has been duly authorized, executed and delivered by Canso, for and on behalf of each Term Lender, and constitutes a legal, valid and binding obligation of each Term Lender enforceable against each Term Lender, in accordance with its terms, subject only to (i) any limitation under applicable laws relating to bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, arrangements or other laws of general application affecting the enforcement of creditors' rights generally and by general principles of equity; and (ii) the discretion of the court before which any proceeding therefor may be brought. For greater certainty, the parties acknowledge that in signing this Agreement for and on behalf of each of the Term Lenders, Canso is acting pursuant to its authority as portfolio manager of each Term Lender and this Agreement as so signed shall be binding upon and enforceable against each Term Lender and the representations and warranties contained in this Section 12.3(2) shall not apply to Canso in its own corporate capacity.

## **ARTICLE 13 COVENANTS**

### **Section 13.1 Affirmative Covenants**

While any obligation of any Credit Party or any Lender is outstanding under any Credit Document and the Commitments have not been terminated and except as otherwise permitted by the prior written consent of the Majority Lenders, CESI agrees as follows, with respect to itself and every other Credit Party:

- (1) ***Maintenance of Business.*** Except as provided in Section 13.2(4), each Credit Party shall preserve and maintain its existence, and preserve and keep in force and effect all licenses, permits and franchises necessary to the proper conduct of its business.

- (2) ***Maintenance of Properties.*** Each Credit Party shall maintain, preserve and keep its property, plant, Equipment and other assets in good repair, working order and condition (ordinary wear and tear excepted) and shall from time to time make all needed and proper repairs, renewals, replacements, additions and improvements thereto so that at all times the efficiency thereof shall be fully preserved and maintained.
- (3) ***Taxes and Assessments.*** Each Credit Party shall duly pay and discharge or cause to be paid or discharged, all Taxes, upon or against it or its property and assets or in respect of this Agreement or any other Credit Document, in each case before the same become delinquent and before penalties accrue thereon, unless and to the extent that the same are being contested in good faith and by appropriate proceedings which prevent enforcement of the matter under contest and adequate reserves are provided therefor.
- (4) ***Insurance.***

(a) Each Credit Party shall maintain in force, with good and responsible insurance companies, insurance coverage on its property, assets and undertaking that is substantially similar to the coverage listed in Schedule 13.1(4). The Borrower shall upon request, furnish to the Agent a certificate setting forth in summary form the nature and extent of the insurance maintained pursuant to this Section 13.1(4).

(b) All insurance required hereby shall be maintained in amounts and under policies and with insurers acceptable to the Agent, and all such policies covering ABL Collateral shall name the Agent as first loss payee, first mortgagee and additional insured, as applicable, and shall contain a standard mortgage clause all in form and content acceptable to the Agent. The Credit Parties shall pay or caused to be paid, when due all premiums on such insurance. Certificates of insurance evidencing compliance with the foregoing and, at the Agent's request, the policies of such insurance shall be delivered by the Borrower to the Agent. All insurance required hereby shall provide that no cancellation thereof shall be effective until at least 30 days after receipt by the applicable Credit Party and the Agent of written notice thereof, and shall be satisfactory to the Agent in all other respects.

- (5) ***Financial Reports.*** Each Credit Party shall maintain a standard system of accounting in accordance with GAAP and shall promptly furnish to the Agent and its duly authorized representatives such information respecting its business and financial condition as the Agent may reasonably request; and without limiting the foregoing, the Borrower shall provide the following information to the Agent:

(a) as soon as available, and in any event not more than five (5) days after the last Business Day of each calendar week;

(i) a Borrowing Base Certificate, showing the computation of (A) the Borrowing Base in reasonable detail as of the close of business on the last Business Day of such calendar week; and (B) the forecasted Borrowing Base for the thirteen-week period beginning on the first Business Day of the next calendar week (or for such other period as the Agent may request) in reasonable detail, in each case together with such other information as is therein required. The Agent shall from time to time in its sole discretion, and at such intervals as the

Agent determines but after consulting with the Borrower, review and adjust any Borrowing Base calculation (x) to reflect its reasonable estimate of declines in value of any ABL Collateral, due to collections of Receivables received or otherwise and (y) to the extent the calculation is not made in accordance with this Agreement or does not accurately reflect the reserves determined by the Agent;

(ii) unaudited consolidated cash flow statement (in a form, and including supporting data, substantially similar to the cash flow statement delivered for the week ended May 3, 2019 and attached hereto as Exhibit "C") of the Borrower, including a satisfactory report on Receivables and accounts payable, for the thirteen-week period beginning on the first Business Day of the next calendar week (or for such other period as the Agent may request), and the accompanying notes thereto, all prepared in reasonable detail and fairly presenting the cash position of the Borrower and CESI on a consolidated basis (including a variance analysis in form and substance satisfactory to the Agent); and

(iii) any variance reports, analysis and/or such other financial statements, reports or information as the Agent may request at its discretion from time to time;

(b) as soon as available, and in any event not more than twenty-five (25) days after the close of each monthly accounting period of CESI (or more frequently if requested by the Agent):

(i) a copy of the Unaudited Financial Statements of CESI on a consolidated basis as of the last day of such monthly accounting period;

(ii) a Receivables aging report on an "invoice date" basis, including reconciliation of cash and accounts receivable;

(iii) an accounts payable aging report;

(iv) a priority claims and statutory deductions report;

(v) an Inventory report, including detailed particulars of all purchase money security interests relating to such Inventory; and

(vi) a report reconciling accounts payable, Receivables and Inventory amounts set out in the reports delivered to the Agent pursuant to Section 13.1(5)(b)(ii), Section 13.1(5)(b)(iii) and Section 13.1(5)(b)(v), as applicable, for the applicable monthly accounting period for such items, as applicable, set out in the Unaudited Financial Statements of CESI for such monthly accounting period delivered to the Agent pursuant to Section 13.1(5)(b)(i);

in each case (A) accompanied by management commentary on the results reported as compared to performance in the previous Fiscal Year and as against the budget prepared for the current Fiscal Year of CESI, (B) prepared by CESI in such format and detail as is required by the Agent, and (C) certified by an Authorized Representative of CESI;

(c) as soon as available, and in any event not more than twenty-five (25) days after the close of each monthly accounting period of the Borrower, a Borrowing Base Certificate, showing the computation of the Borrowing Base in reasonable detail as of the close of business on the last Business Day of such calendar month, together with such other information as is therein required, prepared by the Borrower. The Agent shall from time to time in its sole discretion, and at such intervals as the Agent determines (after consulting with the Borrower), review and adjust any Borrowing Base calculation (i) to reflect its reasonable estimate of declines in value of any ABL Collateral, due to collections of Receivables received or otherwise and (ii) to the extent the calculation is not made in accordance with this Agreement or does not accurately reflect the reserves determined by the Agent;

(d) as soon as available, and in any event within ninety (90) days after the last day of each Fiscal Year of CESI and Clearstream Wear Technologies LP:

(i) a copy of the Audited Financial Statements of CESI and the Unaudited Wear Technology Financial Statements for such Fiscal Year certified by an Authorized Representative of CESI and Clearstream Wear Technologies LP, as applicable and in the case of such Audited Financial Statements, accompanied by (A) an unqualified opinion of the Auditor, confirming that such Audited Financial Statements have been prepared in accordance with GAAP and present fairly in accordance with GAAP the financial condition of the Persons named therein as of the close of such Fiscal Year and the results of operations and cash flows for the Fiscal Year then ended and that an examination of such accounts in connection with such Audited Financial Statements has been made in accordance with GAAP and, accordingly, such examination included such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances, and (B) management commentary on the results reported as against the Unaudited Financial Statements of CESI for such Fiscal Year considered in the aggregate, prepared by CESI in such format and detail as is required by the Agent and certified by an Authorized Representative of CESI; and

(ii) a report reconciling the aggregate accounts payable, Receivables amounts and Inventory provided pursuant to Section 13.1(5)(b)(ii), Section 13.1(5)(b)(iii) and Section 13.1(5)(b)(v), as applicable, for all monthly accounting periods in such Fiscal Year for the corresponding items, as applicable, set out in the Audited Financial Statements of CESI for such Fiscal Year;

(e) promptly after receipt thereof, any additional written reports, management letters or other detailed information contained in writing concerning significant aspects of the operations and financial affairs of any Credit Party relevant to the preparation of the Financial Statements;

(f) as soon as available, and in any event not later than thirty (30) days after the end of each Fiscal Year, a copy of the Business Plan for the next Fiscal Year;

(g) promptly after knowledge thereof shall come to the attention of any officer or director of any Credit Party, written notice of any threatened or pending litigation or governmental proceeding or labour controversy against the Credit Party that, if adversely determined, would have a Material Adverse Effect;

(h) promptly, upon having knowledge, written notice to the Agent of any of the following:

- (i) any termination or expiration of or default under a Material Contract;
- (ii) any damage to or destruction of any property, real or personal, of any Credit Party having a replacement cost in excess of \$500,000;
- (iii) the receipt of insurance proceeds by any Credit Party in excess of \$500,000;
- (iv) any Lien registered against any property or assets of any Credit Party that is ABL Collateral, other than a Permitted Lien;
- (v) any entering into of a Material Contract;
- (vi) any material adverse change in, or material adverse amendment to, any Material Contract;
- (vii) any entering into of a lease for any location containing ABL Collateral or Equipment that is not a Permitted Collateral Location; or
- (viii) the occurrence of a Default or Event of Default; and

(i) as soon as available, and in any event not more than forty-five (45) days after last day of each Fiscal Quarter of CESI (other than the Fiscal Quarter ending December 31 of any Fiscal Year), a copy of the Unaudited Financial Statements of CESI for such Fiscal Quarter certified by an Authorized Representative of CESI, which shall be accompanied by management commentary on the results reported.

Each of the financial statements furnished to the Agent pursuant to this Section 13.1(5) shall be accompanied by a Compliance Certificate, which shall include for greater certainty (A) a detailed calculation of financial covenants set forth in Section 13.3, (B) in respect of each monthly accounting period, a detailed calculation of the Fixed Charge Coverage Ratio for the most recently completed Twelve Month Period, and (C) in respect of each monthly accounting period, a detailed calculation of monthly Fixed Charge Coverage Ratio projections for each Twelve Month Period ending on the last day of each month in the period beginning on the last day of the calendar month following the date of such Compliance Certificate and ending March 31, 2021. Each of the financial statements, projections, Borrowing Base Certificates and Compliance Certificates furnished to the Agent pursuant to this Section 13.1(5) shall be in form and substance satisfactory to the Agent in its sole discretion (taking into account, to the extent the Agent may decide, in its sole discretion, any consultation with Deloitte LLP and/or any of its other advisors).

(6) ***Inspection; Appraisals; Verification.***

(a) Each Credit Party shall permit (and arrange for all access required to permit) the Agent and its duly authorized representatives and agents, to (i) examine and make copies of the corporate books and books of accounts and other financial records of each Credit Party, (ii) discuss the affairs, finances and accounts of each Credit Party with, and to be advised as to the same by, their officers, employees and independent chartered accountants (and each Credit Party hereby authorizes its accountants to discuss with the Agent the finances and affairs of such Credit Party), and (iii) visit and inspect any of the premises of the Credit Parties and to conduct field examinations, provided that where no Event of Default is continuing the Agent shall not conduct more than:

(i) two (2) per year where Excess Availability has not been less than 20% of the Commitment at any time in such year;

(ii) four (4) per year where Excess Availability has been less than 20% of the Commitment at any time in such year.

For greater certainty, the number of visits and inspections that do not constitute field examinations shall not be restricted. If an Event of Default has occurred, the Agent shall be entitled to conduct field examinations of the Credit Parties at such times and intervals as the Agent determines appropriate in its sole discretion.

(b) The Agent may from time to time obtain (or direct any Credit Party to obtain and provide to the Agent) updated appraisals of the Credit Parties' Inventory, or any portion thereof, as the Agent may designate, which appraisal reports shall in each case be prepared by an appraiser acceptable to the Agent and be in such format and contain such detail as the Agent may reasonably request; provided that: (i) unless an Event of Default has occurred and is continuing, any such appraisal of Inventory of any particular Credit Party shall not be conducted more than two (2) times during each calendar year, and (ii) if an Event of Default has occurred and is continuing, any such appraisal of Inventory may be conducted at such times and intervals as the Agent determines appropriate in its sole discretion. All costs and expenses incurred in obtaining any appraisal referred to herein shall be paid by the Borrower (whether obtained by the Agent or by the Borrower).

(c) Each Credit Party shall, upon request by the Agent at any time and from time to time, deliver to the Agent such evidence of the existence, identity and location of the ABL Collateral and of its availability as collateral security pursuant hereto (including, without limitation, reports stating the book value of Inventory by major category and location). It agrees that the Agent shall have the right to verify all or any part of the ABL Collateral in any manner, and through any medium, that the Agent considers appropriate, and it agrees to furnish all assistance and information, and perform any acts, that the Agent may require in connection therewith. It agrees to promptly notify the Agent of any ABL Collateral that such Credit Party has determined is obsolete, and it shall provide the prior book value of such ABL Collateral, a description thereof and its location.

(7) ***Location of ABL Collateral, Equipment and Offices.***

(a) The ABL Collateral and any Equipment is and shall remain in the possession or control of the applicable Credit Party at the Permitted Collateral Locations or in transit between Permitted Collateral Locations.

(b) A Credit Party shall at all times own each Permitted Collateral Location, except for the Permitted Collateral Locations specified in Schedule 12.1(t) under the heading 'Leased Real Property' and to the extent otherwise permitted by the Agent. The Borrower shall use commercially reasonable efforts to deliver a Collateral Access Agreement to the Agent within 30 days of any Permitted Collateral Location becoming a Specified Permitted Collateral Location pursuant to clause (b) of the definition of "Specified Permitted Collateral Locations", in respect of such Permitted Collateral Location.

(c) All books and records, information technology and other assets required to collect the Receivables of any Credit Party shall remain located at a location for which the Agent has received a Collateral Access Agreement.

(8) ***Settlements on Receivables.***

(a) If an Event of Default has occurred and is continuing, the proceeds of any ABL Collateral sold by it shall be set aside at the request of the Agent and held by it as trustee for the Agent and such shall remain part of the ABL Collateral.

(b) Unless an Event of Default has occurred and is continuing, each Credit Party may settle and adjust disputes and claims with its customers and account debtors, handle returns and recoveries and grant discounts, credits and allowances in the ordinary course of its business as presently conducted for amounts and on terms which it in good faith considers advisable. If an Event of Default has occurred and is continuing, unless the Agent requests otherwise, each Credit Party shall promptly notify the Agent of (i) all returns and recoveries and, upon the Agent's request, deliver any such merchandise or other goods to the Agent, and (ii) all disputes and claims and settle or adjust them at no expense to the Agent, provided that no discount, credit or allowance shall be granted to any customer or account debtor and no returns of merchandise or other goods shall be accepted by any Credit Party without the Agent's consent. Notwithstanding the foregoing, the Agent may, if an Event of Default has occurred and is continuing, settle or adjust disputes and claims directly with customers or account debtors for amounts and upon terms which the Agent considers advisable.

(9) ***Collection of Receivables.***

(a) Regardless of whether an Event of Default has occurred and is continuing, regardless of whether the Agent has exercised any or all of its rights under other provisions of this Agreement or any other Credit Document, and without prejudice to any other right or remedy available to the Agent or any Lender at law or in equity, if the Agent requests any Credit Party to do so:

(i) all instruments and chattel paper at any time constituting part of the Receivables or any other ABL Collateral (including any post-dated cheques) shall, upon receipt by such Credit Party, be immediately endorsed to and deposited in a Blocked Account; and

(ii) the Credit Party shall instruct all customers and account debtors to remit all payments in respect of Receivables or any other ABL Collateral to a lockbox or lockboxes under the sole custody and control of the Agent or to a Blocked Account.

(b) If an Event of Default has occurred and is continuing, and without prejudice to any other rights or remedies available to the Agent at law or in equity, the Agent or its designee may notify any Credit Party's customers and account debtors at any time that Receivables or any other ABL Collateral have been assigned to the Agent or of the Agent's security interest therein, and either in its own name, or the applicable Credit Parties' name, or both, demand, collect (including, without limitation, through a lockbox or blocked account analogous to that described in Section 13.1(9)(a)(ii)), receive, bring enforcement proceedings in respect of, compound and give acquittances for, any or all amounts due or to become due on Receivables or any other ABL Collateral, and in the Agent's discretion file any claim or take any other action or proceeding which the Agent may deem necessary or appropriate to protect or realize upon the Lien of the Agent in the Receivables or any other ABL Collateral.

(c) Any proceeds of Receivables or other ABL Collateral transmitted to or otherwise received by the Agent pursuant to this Section 13.1(9) may be handled and administered by the Agent in and through one or more remittance accounts at the Agent (such remittance accounts to constitute special restricted accounts for purposes of and subject to the provisions of this Agreement), and CESI (on its behalf and on behalf of each Credit Party) acknowledges that the maintenance of such remittance account by the Agent is solely for the Agent's convenience and that no Credit Party has any right, title or interest in such remittance account or any amounts at any time standing to the credit thereof.

(d) The Agent shall apply proceeds of Receivables and other ABL Collateral received by it from any source to the payment of the Obligations (whether or not then due and payable), such applications to be made in accordance with Section 9.1(2). Except for purposes of computing interest on the Obligations in accordance with this Agreement, the Agent need not apply or give credit for any item included in proceeds of Receivables or other ABL Collateral until the Agent has received final payment therefor at its office in cash or Cash Equivalents, acceptable to the Agent; provided that, if the Agent does give credit for any item prior to receiving final payment therefor and the Agent fails to receive such final payment or an item is charged back to the Agent for any reason, the Agent shall be entitled to charge the amount of such item back against any Deposit Account, together with interest thereon at the rate referred to in Section 3.6(1) hereof which applies to Prime Rate Loans. Concurrently with each transmission of any proceeds of Receivables or other ABL Collateral to the Deposit Account, the Borrower shall furnish a report in such form as the Agent shall require, identifying the particular Receivable or other ABL Collateral from which the same arises or relates.

(10) ***Inventory and Equipment.***

(a) Each Credit Party shall at its own cost and expense maintain, keep and preserve its Inventory and Equipment in good condition.

(b) If an Event of Default has occurred and is continuing, if any of the Inventory is at any time evidenced by a document of title, such document of title shall be promptly delivered by such Credit Party to the Agent unless the Agent expressly agrees otherwise.

(11) ***Compliance with Laws.*** Each Credit Party shall comply in all material respects with the requirements of all Applicable Laws.

(12) ***Net Proceeds Calculation.*** Concurrently with the closing of any disposition of any of its assets that has given rise to proceeds that are required to be applied to the prepayment of outstanding Advances or the obligations under or in connection with the Senior Secured Indenture or the AECOM Facility Agreement, provide the Agent with a detailed calculation of such net proceeds.

(13) **[Intentionally deleted]**

(14) ***Insolvency Applications.*** Subject to Section 16.16, each of CESI and the Borrower acknowledges, on behalf of all Credit Parties, that each Credit Party's business and financial relationships with the Agent and each Lender are unique, and that the Agent and each Lender do not have a common interest with any of its other creditors; and it agrees that if it files any plan of arrangement under the *Companies' Creditors Arrangement Act* or makes any proposal under the *Bankruptcy and Insolvency Act*, the Agent and the Lenders will be placed in their own class for voting and distribution purposes, and each Credit Party will not permit or acquiesce in, directly or indirectly, the classification of the Agent and the Lenders with any other creditor for any purpose of such plan or proposal or otherwise.

(15) **[Intentionally deleted]**

(16) **[Intentionally deleted]**

(17) **[Intentionally deleted]**

(18) **[Intentionally deleted]**

(19) **[Intentionally deleted]**

(20) **[Intentionally deleted]**

(21) ***Priority Collateral.*** If requested by the Agent (in its discretion, acting reasonably) at any time that the Agent determines in its discretion, acting reasonably, that there would be a residual amount in the value of (i) the AECOM Priority Collateral following a realization of such Collateral by the AECOM Facility Lender and the Senior Secured Trustee, or (ii) the Term Priority Collateral, following a realization of such Collateral

by the Senior Secured Trustee and the AECOM Facility Lender, CESI and the Borrower shall as soon as possible and in any event within 45 days of any such request from the Agent (x) grant or cause to be granted in favour of the Agent perfected Liens (subject to Permitted Liens) over the AECOM Priority Collateral or Term Priority Collateral, as applicable, and execute and deliver or cause to be executed and delivered to the Agent such Security Documents, legal opinions and other supporting documents as the Agent reasonably requests with respect to the foregoing, and (y) ensure that the parties to the Intercreditor Agreement amend such agreement to account for such Security Documents and related Liens.

- (22) **[Intentionally deleted.]**
- (23) **[Intentionally deleted.]**
- (24) ***Refinancing Progress Report.*** Concurrently with the delivery of each Borrowing Base Certificate in accordance with Section 13.1(5)(c), the Borrower and CESI shall deliver to the Agent a Refinancing Update together with copies of any letters of intent or confidential information memorandums received or provided in connection therewith.
- (25) ***Repayment of Revolver.*** Notwithstanding any other provision of this Agreement, upon the termination or cancellation of the Revolving Facility and the Revolving Commitments at any time and for any reason, CESI and the Borrower shall ensure that (i) all Bank Products have been repaid in full and cancelled or such Bank Products have been cash collateralized on terms and conditions satisfactory to the applicable Revolving Lenders, and (ii) all other Obligations owing under or in connection with the Revolving Facility have been indefeasibly repaid in full.
- (26) **[Intentionally deleted.]**
- (27) ***2020 Reorganization – Post-Closing Security Registration Amendments.*** On or before January 11, 2021, CESI shall use all reasonable commercial efforts to assist the Agent in completing all assignments and amendments to any existing registrations, recordings and filings of or with respect to the Security provided by a Credit Party which in the opinion of counsel to the Agent are reasonably necessary in connection with the 2020 Reorganization to continue the effectiveness of the Liens intended to be created thereby.
- (28) ***Incomplete 2020 Reorganization.*** In the event that the 2020 Reorganization is not fully completed on December 31, 2020, for any reason whatsoever, CESI shall as soon as practicably possible (i) execute and deliver and cause each Credit Party and any Excluded Subsidiary to execute and deliver such amendments to this Agreement and any other Credit Document and such confirmations, agreements, security documents, opinions and other documents as the Agent may reasonably require, and (ii) cause to be made all registrations, recordings and filings of or with respect to the foregoing which in the opinion of counsel to the Agent are necessary to render effective the Liens intended to be created thereby.

- (29) ***Collateral Access Agreements.*** CESI shall use commercially reasonable efforts to deliver or caused to be delivered to the Agent within 30 days of the Closing Date a Collateral Access Agreement (in form and substance satisfactory to the Agent) with respect to the Specified Permitted Collateral Location located at 49 Willoughby Street, Lloydminster, AB T9Y 0Y4.

### **Section 13.2 Negative Covenants**

While any Obligation of any Credit Party to any Lender is outstanding under any Credit Document and the Commitments have not been terminated, and except as otherwise permitted by the prior written consent of the Majority Lenders, CESI shall not, and shall ensure that each of the other Credit Parties, shall not:

- (1) ***Change of Name.*** Other than as explicitly described in the MNP Step Plan, change its name without first giving the Agent at least thirty (30) days' prior written notice of its intent to do so.
- (2) ***Limitation on Liens.*** Make, create, incur, assume or suffer to exist, directly or indirectly, any Lien upon any of its ABL Collateral or other assets, whether now owned or hereafter acquired, other than Permitted Liens.
- (3) ***Disposition of Assets.*** Other than as explicitly described in the MNP Step Plan, Dispose of any of its properties or assets to a Person that is not a Credit Party having an aggregate market value in excess of \$500,000 in any Fiscal Year, except in accordance with the MNP Step Plan or in the ordinary course of business and in accordance with the terms of the Credit Documents. For greater certainty, a Disposition of a Credit Party's inventory in accordance with its normal business practice, or a Disposition for fair market value of any tangible asset by a Credit Party that is worn out, obsolete or no longer useful for the purpose of carrying on its business, shall constitute Dispositions in the ordinary course of business for purposes of this Section 13.2(3).
- (4) ***Consolidations and Mergers.*** Other than as explicitly described in the MNP Step Plan, merge, consolidate, amalgamate, wind-up, dissolve or liquidate with or into any Person, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favour of any Person, except that a Credit Party may merge, consolidate, amalgamate, wind-up, dissolve or liquidate with or into, a Credit Party.
- (5) ***Formation of New Entities.*** Other than in connection with a Permitted Acquisition or as explicitly described in the MNP Step Plan, create or acquire any Subsidiary after the date of this Agreement, unless such Subsidiary is created (not acquired) as a Subsidiary of the Borrower or a Credit Party after the date of this Agreement and becomes a Credit Party.
- (6) ***Maintenance of Equity Interests.*** In respect of each Credit Party, other than as explicitly described in the MNP Step Plan, (a) other than CESI, permit the assignment, sale or transfer of any of its Equity Interests to any Person (other than a Credit Party),

or (b) assign, sell or transfer any Equity Interest it holds in any other Credit Party to any Person (other than any other Credit Party).

- (7) **Limitations on Debt.** Create, incur, assume, suffer to exist or permit to remain outstanding any Debt other than Permitted Debt and the Contingent Obligations permitted by Section 13.2(9).
- (8) **Non-Arm's Length Transactions.** Effect any transaction with any Person (other than transactions between two or more Credit Parties, between one or more Credit Parties) not dealing at arm's length with such Credit Party except for the transactions explicitly contemplated by the MNP Step Plan and transactions made in the ordinary course of business and entered into on fair and reasonable terms not less favourable to such Credit Party than would be obtained in a comparable arm's length transaction.
- (9) **Contingent Obligations.** Create, incur, assume or suffer to exist any Contingent Obligations, other than in respect of the Obligations, except: (a) endorsements for collection or deposit in the ordinary course of business; (b) Contingent Obligations incurred in the ordinary course of business with respect to surety and appeal bonds, performance bonds and other similar obligations; (c) Contingent Obligations arising with respect to customary indemnification obligations in favour of purchasers in connection with Dispositions permitted under Section 13.2(3) or required pursuant to **Error! Reference source not found.**; (d) other Contingent Obligations permitted pursuant to Section 13.2(7); (e) Contingent Obligations of any Credit Party incurred in connection with unsecured guarantees granted by such Credit Party to customers of another Credit Party in the ordinary course of business, provided that the aggregate amount of the obligations guaranteed by all such guarantees shall not exceed \$10,000,000; and (f) the AECOM Contingent Obligations.
- (10) **No Distributions.** Declare, make or pay any Distribution or permit any Credit Party to declare, make or pay any Distribution, except for Permitted Distributions.
- (11) **Change in Business.** Engage in any material line of business substantially different from those lines of business carried on by it on the Original Closing Date and it shall not change the location from which such line of business is carried on by it, all as described in Schedule 12.1(d).
- (12) **Change in Structure.** Make any changes in its equity capital structure (including a change in the terms of its outstanding equity securities), or amend its constating documents (including any shareholder agreement), except as a consequence of the transactions described in the MNP Step Plan or explicitly permitted under Section 13.2(1), (4), (5), (6), (16), (17) and (20); provided that CESI may make any such changes or amendments.
- (13) **Accounting Changes.** Make any significant change in accounting treatment or reporting practices, except as required by GAAP, or change its Fiscal Year without first giving the Agent at least sixty (60) days' prior written notice of its intention to do so.

- (14) **Deposit Accounts.** Open or maintain any Deposit Account except with Bank of Montreal.
- (15) **Material Contracts.** (a) Cancel or terminate any Material Contract; (b) waive any default or breach under any Material Contract; (c) amend or otherwise modify any Material Contract; or (d) take any other action in connection with any Material Contract or Licence, that would, in each case, have a Material Adverse Effect.
- (16) **Acquisitions.** Make any Acquisitions other than (a) Permitted Acquisitions, (b) Acquisitions between Credit Parties and (c) Acquisitions approved in writing by the Agent.
- (17) **Investments, Loans and Advances.** Have outstanding or make any Investment in, any other Person or suffer to exist any such Investment, or any obligation to make such Investment, except for Permitted Investments.
- (18) **Location of Assets in Other Jurisdictions.** Except for any ABL Collateral in transit for delivery to a customer in the ordinary course of business of such Credit Party, as part of the performance of its obligations or the provision of its services to such customer under a contract entered into with such customer in the ordinary course of business of such Credit Party, (a) acquire any ABL Collateral or Equipment outside of the jurisdictions identified in Schedule 12.1(t), or (b) move any ABL Collateral to a jurisdiction where the Agent would not have, or continue to have, a first priority Lien over such ABL Collateral under Applicable Law, or (c) knowingly suffer or permit in any other manner any of its ABL Collateral to not be subject to the Agent's Lien or to be or become located in a jurisdiction where the Agent's Lien over such ABL Collateral is not perfected.
- (19) **Pension Plans.** Create or establish a defined benefit pension plan.
- (20) **Equity Issuances.** Issue any new Equity Interests to any Person other than to: (i) another Credit Party, or (ii) the holders of the Senior Secured Debentures, in respect of the payment of interest owing by the Borrower under the Senior Secured Debentures.
- (21) **Excluded Subsidiary.** Permit (i) any Excluded Subsidiary to carry on business in the ordinary course, or (ii) permit the Excluded Subsidiaries (taken as a whole) to maintain aggregate liabilities or aggregate assets greater than \$250,000, unless the Borrower has (x) caused any Excluded Subsidiary that carries on business in the ordinary course and any Excluded Subsidiaries that, when taken as a whole, maintain aggregate liabilities or assets in excess of \$250,000, as the case may be, to execute and deliver to the Agent a guarantee and other Security Documents in accordance with Section 10.4 of this Agreement (together with such legal opinions and other supporting documents as the Agent reasonably requests), and (y) caused the parties to the Intercreditor Agreement to amend such agreement to account for any Excluded Subsidiary becoming a Credit Party, in each case within 30 days of any such Excluded Subsidiary carrying on business or the aggregate liabilities or aggregate assets of any such Excluded Subsidiaries (taken as a whole) exceeding \$250,000, as applicable. Notwithstanding the foregoing, each of

Quantum Murray GP Inc., Quantum Murray LP and Quantum Murray Facilities LP shall be considered Excluded Subsidiaries.

- (22) **[Intentionally deleted.]**
- (23) ***Anti-Cash Hoarding.*** At any time, request an Advance (i) for any purpose other than to fund costs and expenses reasonably anticipated to be incurred by any Credit Party in the ordinary course of business, including costs and expenses incurred for general corporate and working capital purposes (including financing accounts receivables, financing inventory and fixed assets and Permitted Acquisitions) within 10 days from the date of such Advance (“**Anticipated Costs and Expenses**”), to fund a Permitted Distribution or Permitted Investment, in each case, that are intended to be made within 10 days from the date of such Advance, or to fund account overdrafts; (ii) should the relevant Credit Party have cash on hand in an amount sufficient to pay such Anticipated Costs and Expenses or make such Permitted Distribution or Permitted Investment, as the case may be; or (iii) in an amount greater than an amount sufficient (when taken together with the amount of any applicable cash on hand and any other sources of funds) to pay such Anticipated Costs and Expenses, Permitted Distribution or Permitted Investment, as the case may be. Without limiting the foregoing, at any time that there are outstanding Advances under the Revolving Facility (including, for greater certainty, any outstanding Advances under the Swingline Facility), the Agent may debit any amount that the Agent determines, acting reasonably, is held in contravention of this covenant from any account of any Credit Party and apply such amount to the repayment of outstanding Advances under the Revolving Facility (including, for greater certainty, any outstanding Advances under the Swingline Facility).

### **Section 13.3 Financial Covenants**

While any Obligation of any Credit Party to any Lender is outstanding under any Credit Document and the Commitments have not been terminated and except as otherwise permitted by the prior written consent of the Majority Lenders, the Borrower and CESI agree as follows:

- (1) **Fixed Charge Coverage Ratio.** CESI shall, maintain a Fixed Charge Coverage Ratio of not less than 1.00:1.00 for each Twelve Month Period calculated and tested as of the last day of each Fiscal Quarter.
- (2) **Capital Expenditures.** The Credit Parties (on a consolidated basis) will not expend or become obligated for any Capital Expenditures in an aggregate amount exceeding \$6,600,000 during any Fiscal Year; provided that the Credit Parties (on a consolidated basis) will not expend or become obligated for any Unfunded Capital Expenditures during such period in an aggregate amount exceeding \$2,100,000, in each case determined in accordance with GAAP on a consolidated basis for all of the Credit Parties. The Agent and the Revolving Lenders shall review and may, in their sole discretion, update the thresholds under this Section 13.3(2) on an annual basis after receipt of the Financial Statements required to be delivered to the Agent pursuant to Section 13.1(5)(d) for the previous Fiscal Year.

## **ARTICLE 14 DEFAULT AND ENFORCEMENT**

### **Section 14.1 Events of Default**

The occurrence of any of the following events shall constitute an event of default (an “**Event of Default**”) under this Agreement:

- (a) **Payment Defaults.** Failure by (i) the Borrower to pay when due hereunder any amount of principal of any Advance, or (ii) any Credit Party to pay any interest, fees or other Obligations when due and payable and, for purposes of paragraph (ii) only, such failure is not remedied in full within three (3) Business Days.
- (b) **Non-Payment Defaults under Article 13.** Failure of (i) the Borrower to comply with any covenant in Section 13.1(5), 13.1(24), 13.1 (27) or 13.1 (29) and such failure is not remedied within three (3) Business Days; or (ii) any Credit Party to comply with any covenant in 13.1(21), 13.1(25), 13.1(28) or Section 13.2 or Section 13.3.
- (c) **Other Non-Payment Defaults under Credit Documents.** Failure of any Credit Party to comply with any covenant given in favour of the Agent or any Lender in any Credit Document (other than a Default pursuant to Section 14.1(a) or Section 14.1(b)) if such Default is capable of being remedied and such Default has not been remedied within thirty (30) days after the earlier of (i) the date on which an officer of any Credit Party became aware of such Default, and (ii) the date on which the Borrower received notice of such Default from the Agent.
- (d) **Default in Other Agreements.** (i) Failure of any Credit Party to pay when due any principal, interest or other amount payable in respect of any Debt (including the Senior Secured Debt and the AECOM Facility Debt) owing by such Credit Party (other than indebtedness owing pursuant to any Credit Document) in an individual principal amount of \$1,000,000 or more or in an aggregate principal amount of \$2,000,000 or more, after the expiry of any applicable grace period provided therefor; or (ii) breach or default by any Credit Party with respect to any other term of any Debt (including the Senior Secured Debt and the AECOM Facility Debt) owing by any Credit Party (other than covenants in respect of indebtedness owing pursuant to any Credit Document), including any loan agreement, indenture or other agreement relating thereto, after the expiry of any applicable grace period provided therefor, in each case, if the effect of such breach or default is to cause, or to permit such indebtedness to become or be declared due and payable (or subject to a compulsory repurchase or redemption) prior to its stated maturity or the stated maturity of any underlying obligation, as the case may be.
- (e) **Breach of Representations and Warranties.** Any representation, warranty, certification or statement made or deemed to be made by any Credit Party in any Credit Document is untrue in any material respect as of the date on which such

representation, warranty, certification or statement was made or deemed to have been made.

- (f) **Action by Other Creditors.** Any judgment, writ, warrant of attachment, distress or any similar process in an amount exceeding \$3,000,000 is entered or filed against one or more of the Credit Parties or against any ABL Collateral (or which, when combined with other judgments, writs, warrants of attachment, distress or other similar proceedings entered or filed against one or more Credit Parties or against any ABL Collateral, exceeds an aggregate amount of \$3,000,000), and such judgment, writ, warrant of attachment, distress or any similar process is not diligently appealed in good faith and vacated, bonded, stayed or satisfied within thirty (30) days thereafter or, within such thirty (30) day period, any ABL Collateral is possessed or seized by any third party creditor, and such judgment, writ, warrant of attachment, distress or any similar process is not diligently appealed in good faith and vacated, bonded, stayed or satisfied within thirty (30) days thereafter.
- (g) **Invalidity and Contest.** (i) Any Credit Document, or any material provision thereof (as determined by the Majority Lenders), shall at any time cease to be a legally binding and enforceable obligation of any Credit Party that is a party thereto in accordance with its terms or be declared null and void; (ii) the legality, validity, binding nature or enforceability of any Credit Document, or any material provision (as determined by the Majority Lenders) thereof, shall be contested by any Credit Party, or (iii) any Credit Party shall deny that it has any further liabilities or obligations under any Credit Document to which it is a party except as permitted under such Credit Document.
- (h) **Governmental Approvals.** Any Governmental Approval required for any Credit Party to conduct its business substantially in the manner presently conducted or to perform its obligations under any Credit Document is not obtained or is withdrawn or ceases to be in full force and effect and (i) in the Agent's opinion, it is not possible for such Credit Party to obtain such Governmental Approval within thirty (30) days after the date on which such Governmental Approval was required or withdrawn, as applicable, or (ii) in the Agent's opinion, it is possible for such Credit Party to obtain such Governmental Approval within thirty (30) days after the date on which such Governmental Approval was required or withdrawn, as applicable, but such Governmental Approval is not obtained within such thirty (30) day period.
- (i) **Voluntary Proceedings.** Any Credit Party (i) institutes proceedings for substantive relief in any bankruptcy, insolvency, debt restructuring, reorganization, readjustment of debt, dissolution, liquidation, winding-up or other similar proceedings (including proceedings under the *Bankruptcy and Insolvency Act* (Canada), the *Winding-up and Restructuring Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) incorporating statute (or other legislation, document or agreement creating such Credit Party), including proceedings for the appointment of a trustee, interim receiver, receiver, receiver and manager,

administrative receiver, custodian, liquidator, provisional liquidator, administrator, sequestrator or other like official with respect to such Credit Party or all or any material part of the ABL Collateral, or (ii) makes an assignment for the benefit of creditors, or (iii) is unable, or admits in writing its inability, to pay its debts as they become due or otherwise acknowledges its insolvency or commits any other act of bankruptcy or is insolvent under any applicable legislation, or (iv) voluntarily suspends the conduct of its business or operations, or (v) acquiesces in, or takes any action in furtherance of, any of the foregoing.

- (j) ***Involuntary Proceedings.*** If any third party (i) makes any application under the *Companies' Creditors Arrangement Act* (Canada) or similar legislation in Canada in respect of any Credit Party, or (ii) files a proposal or notice of intention to file a proposal under the *Bankruptcy and Insolvency Act* (Canada) or similar legislation in Canada in respect of any Credit Party, or (iii) institutes any winding-up proceeding under the *Winding-up and Restructuring Act* (Canada), any relevant incorporating statute or any similar legislation in Canada in respect of any Credit Party, or (iv) presents a petition in bankruptcy under the *Bankruptcy and Insolvency Act* (Canada) or any similar legislation in Canada in respect of any Credit Party, or (v) files, institutes or commences any other petition, proceeding or case under any other bankruptcy, insolvency, debt restructuring, reorganization, incorporation, readjustment of debt, dissolution, liquidation, winding-up or similar law now or hereafter in effect, seeking bankruptcy, liquidation, reorganization, dissolution, winding-up, composition or readjustment of debt of any Credit Party, the appointment of a trustee, interim receiver, receiver, receiver and manager, administrative receiver, custodian, liquidator, provisional liquidator, administrator, sequestrator or other like official for any Credit Party, or any material part of any Credit Party's assets or any similar relief in Canada; unless such application, filing, proceeding, petition or case, as applicable, is being contested in good faith by *bona fide* action on the part of the relevant Credit Party and is dismissed, stayed or withdrawn within 30 days after the commencement thereof.
- (k) ***Material Adverse Change.*** At any time an event or circumstance occurs that, in the opinion of the Agent, is or will be a Material Adverse Change.
- (l) ***Pension Plans.*** The institution of any steps by any Credit Party or any applicable regulatory authority to terminate a Canadian Pension Plan (in whole or in part) if, as a result of such termination, any Credit Party may be required to make an additional contribution to such Canadian Pension Plan, or to incur an additional liability or obligation to such Canadian Pension Plan.
- (m) ***Loss of ABL Collateral, etc.*** Any loss, theft, damage or destruction occurs with respect to any ABL Collateral if the amount not covered by insurance exceeds \$500,000 (excluding any related deductible under insurance policies).
- (n) ***Dissolution, etc.*** The dissolution, liquidation, wind-up or termination of existence of any Credit Party or if any proceedings are commenced in respect thereof unless,

in the case of proceedings not brought by a Credit Party, such proceedings are being actively and diligently contested in good faith by bona fide action on the part of the relevant Credit Party and is dismissed, stayed or withdrawn within thirty (30) days after the commencement thereof.

- (o) ***Change of Control.*** If a Change of Control shall occur.

#### **Section 14.2 Acceleration and Termination of Rights**

If any Event of Default shall occur and be continuing, all Commitments shall (at the option of the Majority Lenders) be terminated and the Majority Lenders may instruct the Agent to give a notice of acceleration (an “**Acceleration Notice**”) to the Credit Parties (a) declaring the Lenders’ obligations to make Advances to be terminated, whereupon the same shall forthwith terminate; and/or (b) declaring the Obligations to be forthwith due and payable, and all Obligations hereunder shall become immediately due and payable with interest thereon, at the rate or rates determined as herein provided, to the date of actual payment thereof, all without further notice, presentment, protest, demand, notice of dishonour or any other demand or notice whatsoever, all of which are hereby expressly waived by (or by the Borrower on behalf of) each Credit Party; provided that, if any Event of Default described in Section 14.1(i) through Section 14.1(j) with respect to any Credit Party shall occur, the Commitments (if not theretofore terminated) shall automatically terminate and the outstanding principal amount of all Advances and all other Obligations shall automatically be and become immediately due and payable and, for purposes of Section 14.3, an Acceleration Notice shall be deemed to have been delivered. In such event the Agent on behalf of the Lenders may exercise any right or recourse and/or proceed by any action, suit, remedy or proceeding against any Credit Party authorized or permitted by law for the recovery of all the Obligations of the Borrower to the Lenders and proceed to exercise any and all rights hereunder and under the Security and no such remedy for the enforcement of the rights of the Lenders shall be exclusive of or dependent on any other remedy but any one or more of such remedies may from time to time be exercised independently or in combination. The Agent and the Lenders hereby confirm that the foregoing shall be subject to the application of payments set out in Section 14.5 of this Agreement.

#### **Section 14.3 Payment of Bankers’ Acceptances and L/Cs**

From and after the issuance of any Acceleration Notice, the Borrower shall pay to the Agent the face amount of all Bankers’ Acceptances and BA Equivalent Advances which have not matured and the maximum amount payable under all outstanding Letters of Credit, which are unmatured or unexpired, which amounts shall be held by the Agent as collateral security for the Borrower’s obligations with respect to such Bankers’ Acceptances, BA Equivalent Advances and Letters of Credit, as applicable.

#### **Section 14.4 Remedies Cumulative and Waivers**

- (1) For greater certainty, it is expressly understood and agreed that the respective rights and remedies of the Lenders and the Agent hereunder or under any other Credit Document or instrument executed pursuant to this Agreement are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity; and any

single or partial exercise by the Agent or the Agent and the Lenders of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Agreement or other document or instrument executed pursuant to this Agreement shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which the Agent or the Agent and the Lenders may be lawfully entitled for such default or breach. Any waiver by the Agent or the Agent and the Lenders of the strict observance, performance or compliance with any term, covenant, condition or other matter contained herein and any indulgence granted, either expressly or by course of conduct, by the Agent or the Agent and the Lenders shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any rights and remedies of the Agent and the Lenders under this Agreement or any other Credit Document or instrument executed pursuant to this Agreement as a result of any other default or breach hereunder or thereunder. Notwithstanding the foregoing or any other provision of this Agreement, the Lenders agree that nothing in this Agreement shall permit any Lender to take any steps which, pursuant to this Agreement, may only be undertaken by or with the consent of all of the Lenders, all of the Revolving Lenders or the Majority Lenders and each of the Term Lenders hereby agree that, at any time prior to the Revolving Facility Maturity Date, it shall not exercise any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Agreement or other document or instrument executed pursuant to on in connection with this Agreement or any other Credit Document (including upon the occurrence of an Event of Default).

- (2) Without in any way limiting the rights and remedies of the Agent and the Lenders under this Agreement, under any other Credit Document or as provided by law or by equity, the Agent and the Lenders hereby acknowledge that the Agent and the Lenders may (but are in no way obligated to), in their sole discretion, waive an Event of Default that occurs on or before September 30, 2019 as a result of the Borrower's failure to comply with the covenant in Section 13.3(3) of this Agreement provided that the Borrower delivers to the Agent to its satisfaction a detailed explanation of such Event of Default together with such other information as the Agent may request.

#### **Section 14.5 Application of Payments**

If any Event of Default shall occur and be continuing, all payments made by the Borrower or any other Credit Party hereunder or under any other Credit Document, all distributions occurring in any insolvency proceeding affecting any Credit Party and all proceeds of realization of the Security shall be applied as follows:

- (a) firstly, to pay all expenses incurred by the Agent or the Revolving Lenders or any receiver appointed on their behalf in respect of any judgment, realization, receivership, insolvency, liquidation, winding-up, bankruptcy, proposal, arrangement or reorganization and all amounts owing to the Agent in its capacity as Agent;

- (b) secondly, to pay all Obligations then owing by the Borrower to the Revolving Lenders on a *pari passu* basis;
- (c) thirdly, to pay all Obligations then owing by the Borrower to the Term Lenders on a *pari passu* basis; and
- (d) fourthly, upon payment in full of all Obligations then owing by the Borrower to the Lenders and the Agent (and to any one or more of them), to pay the balance of the proceeds to whomever is entitled thereto.

Each of the Lenders hereby acknowledges and agrees that the foregoing provision shall be paramount to any terms of the Intercreditor Agreement that govern the application of payments among the ABL Lenders (as defined in the Intercreditor Agreement). If, at any time, any Lender receives any amount in excess of the amount to which it is entitled in accordance with the provisions of this Agreement, such Lender shall hold such excess amount in trust and promptly pay such excess amount to the Agent or to the other Lender or Lenders which is or are entitled thereto.

#### **Section 14.6 Termination of Lenders' Obligations**

The occurrence of an Event of Default shall relieve the Lenders of all obligations to provide any further Advances hereunder.

#### **Section 14.7 Saving**

Neither the Lenders nor the Agent shall be under any obligation to any Credit Party or any other Person to realize any collateral or enforce the Security or any part thereof or to allow any of the collateral to be sold, dealt with or otherwise disposed of. The Lenders or the Agent shall not be responsible or liable to the Credit Parties or any other Person for any loss or damage upon the realization or enforcement of the Security, the failure to realize or enforce against the collateral or any part thereof or the failure to allow any of the collateral to be sold, dealt with or otherwise disposed of or for any act or omission on their respective parts or on the part of any director, officer, agent, servant or adviser in connection with any of the foregoing, except that a Lender may be responsible or liable for any loss or damage arising from the wilful misconduct or gross negligence of that Lender (as determined by a final decision of a court of competent jurisdiction).

#### **Section 14.8 Perform Obligations**

If any Credit Party has failed to perform any of its covenants or agreements in the Credit Documents and such failure constitutes an Event of Default, the Majority Lenders, may, but shall be under no obligation to, upon notice to the Borrower, instruct the Agent on behalf of the Lenders to perform any such covenants or agreements in any manner deemed fit by it without thereby waiving any rights to enforce the Credit Documents. The reasonable expenses (including any legal costs) paid by the Agent or the Lenders in respect of the foregoing shall be an Obligation and shall be secured by the Security.

### **Section 14.9 Third Parties**

No Person dealing with the Lenders, the Agent or any agent of the Lenders or the Agent shall be concerned to inquire whether the Security has become enforceable, or whether the powers which the Lenders or the Agent are purporting to exercise have been exercisable, or whether any Obligations remain outstanding upon the security thereof, or as to the necessity or expediency of the stipulations and conditions subject to which any sale shall be made, or otherwise as to the propriety or regularity of any sale or other disposition or any other dealing with the collateral charged by such Security or any part thereof.

### **Section 14.10 Set-Off or Compensation**

In addition to and not in limitation of any rights now or hereafter granted under Applicable Law, if repayment is accelerated pursuant to Section 14.2, the Revolving Lenders, or any of them, may at any time and from time to time without notice to any Credit Party or any other Person, any notice being expressly waived by each Credit Party to the fullest extent permitted by Applicable Law, set-off and compensate and apply any and all deposits, general or special, time or demand, provisional or final, matured or unmatured, and any other indebtedness at any time owing by the Revolving Lenders and their Affiliates, or any of them, to or for the credit of or the account of the Borrower, against and on account of the Obligations notwithstanding that any of them are contingent or unmatured.

### **Section 14.11 Realization of Security**

Each of the Lenders acknowledges that the Agent holds the Security to secure all of the Obligations and upon the event of the occurrence of an Event of Default that is continuing, the Agent shall act on the written instructions of the Majority Lenders pursuant to Section 14.2 and shall distribute the net proceeds of realization of the Security to the Lenders in accordance with Section 14.5.

## **ARTICLE 15 COSTS, EXPENSES AND INDEMNIFICATION**

### **Section 15.1 Costs and Expenses**

The Borrower shall pay promptly upon notice from the Agent all reasonable costs and expenses in connection with preparation, execution and delivery of this Agreement and the other documents to be delivered hereunder and the reasonable costs of syndicating the Facilities, whether or not any Advance has been made hereunder as provided by Section 9 of the CBA Model Provisions, including without limitation, the reasonable fees and out-of-pocket expenses of Revolving Lenders' counsel and Term Lenders' counsel with respect thereto and with respect to advising the Agent or the Lenders as to its or their rights and responsibilities under this Agreement and the other Credit Documents to be delivered hereunder. The Borrower further agrees to pay all reasonable costs and expenses in connection with (a) the preparation or review of waivers, consents and amendments requested by the Borrower; (b) questions of interpretation of this Agreement; (c) the establishment of the validity and enforceability of this Agreement; (d) the preservation or enforcement of rights of the Agent and the Lenders under this Agreement and other Credit Documents to be delivered hereunder; and (e) the exercise of any right or remedy of

any nature or kind contained herein or in any Credit Document, including, without limitation, all costs and expenses sustained by each Lender or the Agent as a result of any failure by the Borrower to perform or observe any of its obligations hereunder, together, with interest at the prevailing interest rate applicable to outstanding Advances for amounts outstanding if such payment is not made by within five Business Days following delivery of a request for payment to the Borrower. Such costs and expenses shall be payable whether or not an Advance is made under this Agreement.

### **Section 15.2 Indemnification by the Borrower**

In addition to any liability of the Borrower to any Lender or the Agent under any other provision hereof, except to the extent that a court of competent jurisdiction determines that such liability arises from the negligence or wilful misconduct of a Lender or the Agent, the Borrower shall indemnify each Lender and the Agent and hold each Lender and the Agent harmless against any reasonable loss or expense incurred by such Lender or the Agent as a result of:

- (a) any failure by the Borrower to fulfill any of its Obligations including, without limitation, any cost or expense incurred by reason of the liquidation or re-employment in whole or in part of deposits or other funds required by any Lender to fund or maintain its Proportionate Share of any Advance as a result of the Borrower's failure to complete an Advance or to make any payment, repayment or prepayment on the date required hereunder or specified by it in any notice given hereunder;
- (b) the Borrower's failure to give any notice required to be given by it to the Agent or Lenders hereunder;
- (c) the failure of the Borrower to make any other payment when due hereunder; or
- (d) otherwise resulting from the Agent or any Lender being a party to this Agreement or any Credit Document.

A certificate of a Lender or the Agent as to the amount of any such loss or expense shall be *prima facie* evidence as to the amount thereof, in the absence of manifest error. The agreements in this Section shall survive the termination of this Agreement and repayment of the Obligations.

### **Section 15.3 Specific Environmental Indemnification**

The Borrower shall defend and indemnify each Lender and the Agent and hold each harmless at all times from and against any and all losses, damages and costs (including reasonable counsel fees and expenses) resulting from any legal action commenced or claim made by a third party against any Lender or the Agent or any of them related to or as a result of actions on the part of the Borrower or any Credit Party related to or as a consequence of environmental matters or a failure by the Borrower or any Credit Party to comply with Requirements of Environmental Law. The Borrower shall have the sole right, at its expense, to control any such legal action or claim and to settle on terms and conditions approved by the Borrower and approved by the party named in such legal action or claim whether it be the Lenders or the Agent, or any of them acting reasonably provided that it is in the opinion of the Lenders or the Agent, or

any of them as the case may be, the interests of the Lenders or the Agent or any of them are different from those of the Borrower or any Credit Party in connection with such legal action or claim, the Lenders or the Agent or any of them shall have the sole right, at the Borrower's expense, to defend their own interests provided that any settlement of such legal action or claim shall be on terms and conditions approved by the Borrower, acting reasonably. If the Borrower or any Credit Party does not defend the legal action or claim, the Agent and the Lenders shall have the right to do so on their own behalf and on behalf of the Borrower, as the case may be, at the expense of the Borrower. The defence and indemnity obligations contained throughout this Agreement shall survive the termination of this Agreement and repayment of the Obligations.

## **ARTICLE 16 THE AGENT AND THE LENDERS**

### **Section 16.1 Appointment**

- (1) The Lenders hereby appoint the Agent to act as their agent as herein specified and, except as may be specifically provided to the contrary herein, each of the Lenders hereby irrevocably authorizes the Agent, as the agent of such Lender, to take such action on its behalf under or in connection with each of the Credit Documents and to exercise such powers thereunder as are delegated to the Agent by the terms thereof and such other powers as are reasonably incidental thereto which it may be necessary for the Agent to exercise in order that the provisions of each of the Credit Documents are carried out.
- (2) The Lenders hereby acknowledge and agree that the Agent is the holder of an irrevocable power to attorney from the Lenders for the purpose of holding any of the Security or any other security granted by any Persons with respect to the liabilities of each Credit Party under the Credit Documents, and the Agent hereby agrees to act in such capacity. The Agent may perform any of its duties under the Credit Documents by or through its agents.
- (3) The Lenders hereby acknowledge that the Agent has executed, for and on behalf of the Lenders, the Intercreditor Agreement, and each Lender acknowledges and agrees to be bound by the provisions of the Intercreditor Agreement, and to perform all duties and obligations to be observed and performed by such Lender thereunder.
- (4) No Credit Party shall be concerned to inquire whether the powers which the Agent is purporting to exercise have become exercisable or otherwise as to the propriety or regularity of any other action on the part of the Agent, and accordingly insofar as any Credit Party is concerned the Agent shall for all purposes hereof be deemed to have authority from the Lenders to exercise the powers and take the actions which are in fact exercised and taken by it.

### **Section 16.2 Decision-Making**

- (1) Subject to Section 16.2(2), any waiver of or any amendment to a provision of this Agreement or any other Credit Documents which relates to:

(a) decreases in interest rates, Letter of Credit Fees, standby commitment fees, Discount Rates, Acceptance Fees, any Applicable Margin, shortening notice periods, decreasing the amount of any payments payable by the Borrower to the Lenders under this Agreement or any waiver of the time for payment of any amounts payable to the Lenders under this Agreement;

(b) an increase or decrease in the Commitment of any Lender other than as provided for in this Agreement;

(c) an assignment or transfer by the Borrower of any of its rights and obligations under this Agreement other than as provided for in this Agreement;

(d) a change in the definition of "Majority Lenders", "Maturity Date", "Revolving Facility Maturity Date", or any other definition to the extent relevant to any of the other provisions of this Section 16.2(1);

(e) any matter which, pursuant to the Credit Documents, specifically requires the consent or agreement of all of the Lenders (or the Majority Lenders prior to the termination of the Revolving Facility);

(f) the provisions of Article 11; or

(g) an Event of Default;

shall bind the Lenders (including, for greater certainty, the Term Lenders) only if such waiver or amendment is agreed to in writing by all of the Revolving Lenders.

(2) Notwithstanding Section 16.2(1) and any other provisions of this Agreement, any waiver of or any amendment to a provision of this Agreement or any other Credit Documents which relates to:

(a) a change in interest rates applicable to the Term Facility;

(b) an increase or decrease in the Commitment of any Term Lender;

(c) a change in the amount of any payments payable by the Borrower to the Term Lenders under this Agreement;

(d) an assignment or transfer by the Borrower of any of its rights and obligations under this Agreement other than as provided for under this Agreement;

(e) a change to the definition of "Term Lenders", "Term Facility Maturity Date", "Majority Lenders" or "Maturity Date"; or

(f) a change to Section 14.1(d);

shall bind the Lenders only if such waiver or amendment is agreed to in writing by all of the Lenders (including, for greater certainty, the Term Lenders).

In addition, any waiver of or amendment to any provision of the Credit Documents which relates to: (i) an increase in the Commitment of any Lender shall bind that Lender only if agreed to in writing by such Lender and (ii) the Swingline Facility only if agreed to by the Swingline Lender.

- (3) The Agent may from time to time without notice to or the consent of the Lenders execute and deliver partial releases of Liens created by the Security Documents in respect of any item of property of the Borrower or any other Credit Party (whether or not the proceeds of sale thereof are received by the Agent) which the Borrower or any other Credit Party or any of them are permitted to Dispose of pursuant to the terms of this Agreement and in releasing any such Liens the Agent may rely upon and assume the correctness of all information contained in any certificate or document provided by the Borrower or any other Credit Party, without further enquiry. Otherwise, any release or discharge of the Liens created by the Security Documents or any portion thereof shall require the written consent of the Lenders acting unanimously.
- (4) Except for the matters described in Section 16.2(1) and Section 16.2(2), any waiver of or any amendment to a provision of this Agreement shall be effective if made between the Borrower, the Agent and the Majority Lenders, and for greater certainty any such amendment which is agreed to by the Majority Lenders shall be final and binding on all Lenders.
- (5) Except for the matters which require the unanimous consent of the Revolving Lenders or the Lenders as set out in Section 16.2(1), Section 16.2(2) and Section 16.2(3), and except as otherwise expressly provided in this Agreement, any action to be taken or decision to be made by the Lenders pursuant to this Agreement (specifically including for greater certainty the issuance of written notice to the Borrower of the occurrence of a Default or Event of Default, the issuance of a demand for payment of the Obligations, the provision of any waiver in respect of an Event of Default, the waiver of any condition precedent to an Advance, or the issuance of any consent) shall be effective if approved by the Majority Lenders. For greater certainty, except as expressly provided in this Agreement no Term Lender shall take any actions or make any decisions hereunder.
- (6) Any action to be taken or decision to be made by the Lenders pursuant to this Agreement which is required to be unanimous shall be made by a written instrument executed by all of the Lenders and any action to be taken or decision to be made by the Lenders pursuant to this Agreement which is required to be made by the Majority Lenders shall be made by a written instrument executed by the Majority Lenders and any action to be taken or decision to be made by the Lenders pursuant to this Agreement which is required to be made by the Revolving Lenders shall be made by a written instrument executed by all of the Revolving Lenders. Any such instrument may be executed by fax or pdf and in counterparts.

### **Section 16.3 Security**

- (1) Except to the extent provided in Section 16.3(2), the Security Documents (and the Liens created thereby) shall be granted in favour of and held by the Agent for and on behalf of the Lenders in accordance with the provisions of this Agreement. The Agent shall, in accordance with its usual practices in effect from time to time, take all steps required to perfect and maintain the Security Documents (and the Liens created thereby), including: filing renewals and change notices in respect of such Security Documents (and the Liens created thereby); and ensuring that the name of the Agent is noted as on all property insurance policies covering the ABL Collateral encumbered by the Security Documents to the extent required herein. If the Agent becomes aware of any matter concerning the Security Documents (or the Liens created thereby) which it considers to be material, it shall promptly inform the Lenders. The Agent shall comply with all instructions provided by (i) all the Revolving Lenders in connection with the enforcement of the Security Documents (and the Liens created thereby) which it holds, and (ii) all of the Lenders in connection with the release of the Security Documents (and the Liens created thereby) which it holds, except, in each case, as provided in Section 16.2(3). The Agent agrees to permit each Lender to review and make photocopies of the original documents comprising the Security Documents from time to time upon reasonable notice.
- (2) If the Borrower or another Credit Party has provided security in favour of any Lender directly (such as but not limited to security under the *Bank Act* (Canada)), except for Purchase Money Security Interests, such Lender agrees to pay to the Agent all amounts received by it in connection with the enforcement of such security, and all such amounts shall be dealt with in accordance with Section 14.5 and the Intercreditor Agreement.

### **Section 16.4 Payments by Agent**

- (1) The following provisions shall apply to all payments made by the Agent to the Lenders hereunder:
  - (a) the Agent shall be under no obligation to make any payment (whether in respect of principal, interest, fees or otherwise) to any Lender until an amount in respect of such payment has been received by the Agent from the Borrower;
  - (b) if the Agent receives a payment of principal, interest, fees or other amount owing by the Borrower under the Facilities which is less than the full amount of any such payment due, the Agent shall distribute such amount received (i) firstly, to pay all expenses incurred by the Agent and all amounts owing to the Agent in its capacity as Agent, (ii) secondly, among the Revolving Lenders under the Revolving Facility in each Revolving Lender's Proportionate Share of the Revolving Facility on account of amounts then owing by the Borrower under the Revolving Facility, and (iii) thirdly, upon payment in full of amounts then owing by the Borrower under the Revolving Facility, to the Term Lenders in each Term Lender's Proportionate Share of the Term Facility on account of amounts then owing by the Borrower under the Term Facility;

(c) if any Lender has advanced more or less than its Proportionate Share of its Commitment under a Facility, such Lender's entitlement to such payment shall be increased or reduced, as the case may be, in proportion to the amount actually advanced by such Lender;

(d) if a Lender's Proportionate Share of an Advance has been advanced for less than the full period to which any payment by the Borrower relates, such Lender's entitlement to receive a portion of any payment of interest or fees shall be reduced in proportion to the length of time such Lender's Proportionate Share has actually been outstanding (unless such Lender has paid all interest required to have been paid by it to the Agent pursuant to the CBA Model Provisions);

(e) the Agent acting reasonably and in good faith shall, after consultation with the Lenders in the case of any dispute, determine in all cases the amount of all payments to which each Lender is entitled and such determination shall be deemed to be prima facie correct;

(f) upon request, the Agent shall deliver a statement detailing any of the payments to the Lenders referred to herein; and

(g) all payments by the Agent to a Lender hereunder shall be made to such Lender at its address set out herein unless notice to the contrary is received by the Agent from such Lender.

- (2) If the Agent has received a payment from the Borrower on a Business Day (not later than the time required for the receipt of such payment as set out in this Agreement) and fails to remit such payment to any Lender entitled to receive its Proportionate Share of such payment on such Business Day, the Agent agrees to pay interest on such late payment at a rate determined by the Agent in accordance with prevailing banking industry practice on interbank compensation.
- (3) The Borrower hereby irrevocably authorizes and instructs the Agent, if and to the extent that the Borrower has not paid an Obligation that has become due and payable, to withdraw from or debit, from time to time when such Obligation is due and payable, any Deposit Account for the purposes of satisfying payment thereof.
- (4) The Agent may in its discretion from time to time make adjustments in respect of any Revolving Lender's share of an Advance, Conversion, Rollover or repayment under the Revolving Facility in order that the Obligations due to such Revolving Lender under the Revolving Facility shall be approximately in accordance with such Revolving Lender's Proportionate Share of the Revolving Facility.
- (5) For greater certainty and notwithstanding the foregoing, all payments made by the Agent to the Lenders hereunder shall be distributed (i) firstly, to pay all expenses incurred by the Agent and all amounts owing to the Agent in its capacity as Agent, (ii) secondly, among the Revolving Lenders under the Revolving Facility in each Revolving Lender's Proportionate Share of the Revolving Facility on account of amounts then due and payable by the Borrower to the Revolving Lenders, and (iii) thirdly, among the Term Lenders in each Term Lender's Proportionate Share of the Term Facility on account of amounts then due and payable by the Borrower to the Term Lender.

### **Section 16.5 Adjustments to Outstanding Advances**

Each Revolving Lender agrees that, after all Obligations outstanding under the Revolving Facility have become due and payable pursuant to Section 14.2, it will at any time and from time to time upon the request of the Agent purchase portions of the Advances made available by the other Revolving Lenders, which remain outstanding and make any other adjustments which may be necessary or appropriate, in order that the aggregate amount of Advances made by each Revolving Lender under the Revolving Facility will be in the same proportion as the applicable Revolving Lender's Proportionate Share of its Commitment applicable to the Revolving Facility.

### **Section 16.6 Protection of Agent**

- (1) Unless the Agent has actual knowledge or actual notice to the contrary, it may assume that each Lender's address set out on the signature pages hereto is correct, unless and until it has received from such Lender a notice designating a different address.
- (2) The Agent may engage and pay for the advice or services of any lawyers, accountants or other experts whose advice or services may to it seem necessary, expedient or desirable and rely upon any advice so obtained (and to the extent that such costs are not recovered from the Borrower pursuant to this Agreement, each Lender agrees to reimburse the Agent in such Lender's Proportionate Share of such costs).
- (3) Unless the Agent has actual knowledge or actual notice to the contrary, it may rely as to matters of fact which might reasonably be expected to be within the knowledge of the Borrower upon a statement contained in any Credit Document.
- (4) Unless the Agent has actual knowledge or actual notice to the contrary, it may rely upon any communication or document believed by it to be genuine.
- (5) The Agent may refrain from exercising any right, power or discretion vested in it under this Agreement unless and until instructed by the Majority Lenders as to whether or not such right, power or discretion is to be exercised and, if it is to be exercised, as to the manner in which it should be exercised (provided that such instructions shall be required to be provided by (i) all of the Lenders in respect of any matter for which the unanimous consent of the Lenders is required as set out herein, and (ii) all of the Revolving Lenders in respect of any matter for which the unanimous consent of the Revolving Lenders is required as set out herein).
- (6) The Agent may refrain from exercising any right, power or discretion vested in it which would or might in its opinion in its sole discretion be contrary to any law of any jurisdiction or any directive or otherwise render it liable to any Person, and may do anything which is in its opinion in its sole discretion necessary to comply with any such law or directive.
- (7) The Agent may delegate to such other Person, such duties and responsibilities of the Agent hereunder as it shall determine to be appropriate in respect of dealings with or relating to the Borrower or any other Person.

- (8) The Agent may refrain from acting in accordance with any instructions of the Majority Lenders to begin any legal action or proceeding arising out of or in connection with this Agreement or take any steps to enforce or realize upon any Security Documents, until it shall have received such security as it may reasonably require (whether by way of payment in advance or otherwise) against all costs, claims, expenses (including legal fees) and liabilities which it will or may expend or incur in complying with such instructions.
- (9) The Agent shall not be bound to disclose to any Person any information relating to the Borrower, any other Credit Party or any Affiliate thereof if such disclosure would or might in its opinion in its sole discretion constitute a breach of any law or regulation or be otherwise actionable at the suit of any Person.
- (10) The Agent shall not accept any responsibility for the accuracy and/or completeness of any information supplied in connection herewith or for the legality, validity, effectiveness, protection, adequacy or enforceability of any Credit Document and shall not be under any liability to any Lender as a result of taking or omitting to take any action in relation to any Credit Document except in the case of the Agent's gross negligence or wilful misconduct.

#### **Section 16.7 Duties of Agent**

The Agent shall:

- (a) hold and maintain the Security Documents to the extent provided in Section 16.3;
- (b) provide to each Lender copies of all financial information received from the Borrower promptly after receipt thereof, and copies of any Advance Notices, Conversion Notices, Rollover Notices and other notices received by the Agent from the Borrower upon request by such Lender;
- (c) promptly advise each Lender of Advances required to be made by it hereunder and disburse all repayments to the Lenders hereunder in accordance with the terms of this Agreement;
- (d) promptly notify each Lender of the occurrence of any Default or Event of Default of which the Agent has actual knowledge or actual notice;
- (e) at the time of engaging any agent, receiver, receiver-manager, consultant, monitor or other party in connection with the Security Documents or the enforcement thereof, obtain the agreement of such party to comply with the applicable terms of this Agreement in carrying out any such enforcement activities and dealing with any proceeds of realization;
- (f) account for any monies received by it in connection with this Agreement, the Security Documents and any other agreement delivered in connection herewith or therewith;

- (g) each time the Borrower requests the written consent of the Lenders, the Revolving Lenders or the Majority Lenders, as applicable, in connection with any matter, use its best efforts to obtain and communicate to the Borrower the response of the Lenders, the Revolving Lenders or the Majority Lenders, as the case may be, in a reasonably prompt and timely manner having due regard to the nature and circumstances of the request;
- (h) give written notice to the Borrower in respect of any other matter in respect of which notice is required in accordance with or pursuant to this Agreement;
- (i) except as otherwise provided in this Agreement, act in accordance with any instructions given to it by the Majority Lenders;
- (j) if so instructed by the Majority Lenders, refrain from exercising any right, power or discretion vested in it under this Agreement or any document incidental thereto; and
- (k) call a meeting of the Lenders at any time not earlier than five (5) days and not later than thirty (30) days after receipt of a written request for a meeting provided by any Revolving Lender.

#### **Section 16.8 Lenders' Obligations Several; No Partnership**

The obligations of each Lender under this Agreement are several. The failure of any Lender to carry out its obligations hereunder shall not relieve the other Lenders of any of their respective obligations hereunder. No Lender shall be responsible for the obligations of any other Lender hereunder. Neither the entering into of this Agreement nor the completion of any transactions contemplated herein shall constitute the Lenders a partnership. Each Lender may lend money to and have business dealings with the Borrower, any other Credit Party and their respective Affiliates outside the scope of this Agreement, provided that any security held by such Lender in respect of the assets of any Credit Party shall be held by such Lender in trust for the Agent and any proceeds from the realization of such security shall constitute proceeds of realization as provided herein. Notwithstanding the foregoing, the parties hereto acknowledge and agree that the Senior Secured Debt and any security held by or on behalf of any Term Lender in connection therewith shall be governed by the terms of the Intercreditor Agreement.

#### **Section 16.9 Sharing of Information**

The Agent and the Lenders may share among themselves any information they may have from time to time concerning the Borrower or any other Credit Party (or any of them) whether or not such information is confidential; but shall have no obligation to do so (except for any obligations of the Agent to provide information to the extent required in this Agreement).

#### **Section 16.10 Acknowledgement by Borrower**

The Borrower (and the Borrower on behalf of each Credit Party which is not a party hereto) hereby acknowledge notice of the terms of the provisions of this Article 16 and agrees to be bound hereby to the extent of its obligations hereunder, and further agrees not to make any

payments, take any action or omit to take any action which would result in the non-compliance by the Agent or any Lender with its obligations hereunder.

### **Section 16.11 Amendments to Article 16**

Except in respect of Section 16.2 and as otherwise specifically provided herein, the Agent and the Lenders may amend any provision in this Article 16 without prior notice to or the consent of the Borrower or any other Credit Party, and the Agent shall provide a copy of any such amendment to the Borrower reasonably promptly thereafter; provided however if any such amendment would adversely affect any rights, entitlements, obligations or liabilities of the Borrower or any other Credit Party, such amendment shall not be effective until the Borrower or such other Credit Party has received written notice thereof and has provided its written consent thereto, such consent not to be unreasonably withheld or arbitrarily delayed.

### **Section 16.12 Deliveries, etc.**

As between the Borrower on the one hand, and the Agent and the Lenders on the other hand:

(a) all statements, certificates, consents and other documents which the Agent purports to deliver to the Borrower on behalf of the Lenders shall be binding on each of the Lenders, and the Borrower shall not be required to ascertain or confirm the authority of the Agent in delivering such documents;

(b) all certificates, statements, notices and other documents which are delivered by the Borrower to the Agent in accordance with this Agreement shall be deemed to have been duly delivered to each of the Lenders; and

(c) all payments which are delivered by or on behalf of the Borrower to the Agent in accordance with this Agreement shall be deemed to have been duly delivered to each of the Lenders.

### **Section 16.13 Successor Agent**

- (1) The Agent may resign at any time by giving reasonable prior written notice thereof to the Lenders and the Borrower. Upon any such notice of resignation, the Majority Lenders shall have the right, upon five (5) Business Days' notice to the Borrower, to appoint a successor Agent with the consent of the Borrower (which consent shall only be required prior to the occurrence of a Default or Event of Default that is continuing). Upon the acceptance of any appointment as Agent hereunder by a successor Agent, that successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent and the retiring Agent shall promptly transfer to such successor Agent all sums, securities and other items of collateral held by the Agent, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Agent under the Credit Documents, and execute and deliver to such successor Agent such amendments to financing statements, and take such other actions, as may be necessary or appropriate in connection with the assignment to successor Agent of the security interests created

under the Security Documents, whereupon such retiring Agent shall be discharged from its duties and obligations hereunder. After any retiring Agent's resignation hereunder as Agent, the provisions of this Section 16.13 shall enure to its benefit as to any actions taken or omitted to be taken by it while it was Agent hereunder.

(2) Prior to the occurrence of a Default or Event of Default that is continuing, any assignment by the Agent of its rights and duties as Agent hereunder shall require the consent of the Borrower, which consent shall not be unreasonably withheld, provided that the Agent can assign to an Affiliate of the Agent without the prior written consent of, or prior written notice to, the Credit Parties or the Lenders. The Credit Parties and the Lenders may deem and treat such assigning Agent as the Agent for all purposes hereof, unless and until such assigning Agent provides written notice to the Borrower and the Lenders of such assignment. Upon such assignment such assignee shall succeed to and become vested with all rights, powers, privileges and duties as Agent hereunder and under the other Credit Documents.

(3) Notwithstanding the foregoing, the Borrower and each of the Lenders hereby acknowledges and agrees that:

(a) the Term Lenders shall appoint a successor Agent (on and subject to such documents and agreements as the then existing Agent may require) concurrently upon the termination and cancellation of the Revolving Facility and the indefeasible repayment in full of all Obligations owing in connection therewith as a result of the Revolving Facility Maturity Date (or any other termination, cancellation or repayment for which at least 15 Business Days' prior notice has been provided including, without limitation, pursuant to Section 3.13). If the Term Lenders fail to appoint such a successor Agent, the retiring Agent shall have the right to appoint a successor Agent, which shall have an office in Toronto, Ontario, and the Borrower and each of the Term Lenders shall, at the Borrower's expense, do all such acts and things and execute and deliver all such documents, agreements and instruments as the retiring Agent and/or successor Agent may require to facilitate or otherwise complete such appointment;

(b) upon the termination and cancellation of the Revolving Facility and the indefeasible repayment in full of all Obligations owing in connection therewith for which less than 15 Business Days' prior notice has been provided, the Term Lenders shall, within 15 days of such notice (or in any instance where no notice is provided, within 15 days of such termination, cancellation and repayment), appoint a successor Agent (on and subject to such documents and agreements as the then existing Agent may require). If the Term Lenders fail to appoint such a successor Agent, the retiring Agent shall have the right to appoint a successor Agent, which shall have an office in Toronto, Ontario, and the Borrower and each of the Term Lenders shall, at the Borrower's expense, do all such acts and things and execute and deliver all such documents, agreements and instruments as the retiring Agent and/or successor Agent may require to facilitate or otherwise complete such appointment;

(c) upon the acceptance of any appointment as Agent under this Section 16.13(3), by a successor Agent, that successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent and the retiring Agent shall promptly transfer to such successor Agent all sums, securities and other items of collateral held

by the Agent, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Agent under the Credit Documents, and execute and deliver to such successor Agent such amendments to financing statements, and take such other actions, as may be necessary or appropriate in connection with the assignment to successor Agent of the security interests created under the Security Documents, whereupon such retiring Agent shall be discharged from its duties and obligations hereunder and under any other Credit Document and the provisions of this Section 16.13 shall enure to its benefit as to any actions taken or omitted to be taken by it while it was Agent hereunder; and

(d) nothing in this Section 16.13(3) shall diminish the Agent's right to resign at any time in accordance with Section 16.13(1).

#### **Section 16.14 [Reserved]**

#### **Section 16.15 Customer Identification Programs**

Each Lender acknowledges and agrees that neither such Lender, nor any of its Affiliates, participants or assignees, may rely on the Agent to carry out such Lender's, Affiliate's, participant's or assignee's customer identification program, or other obligations required or imposed under or pursuant to the *USA PATRIOT Act* or the regulations thereunder, including the regulations contained in 31 CFR 103.121 (as hereafter amended or replaced, the "**CIP Regulations**"), or any other anti-terrorism law, including any programs involving any of the following items relating to or in connection with the Borrower, the other Credit Parties, their Affiliates or agents, this Agreement, the Credit Documents or the transactions hereunder or contemplated hereby: (a) any identity verification procedures, (b) any record-keeping, (c) comparisons with government lists, (d) customer notices, or (e) other procedures required under the CIP Regulations or such other laws.

#### **Section 16.16 Term Lenders and Term Facility**

Each of the Borrower, CESI, the Agent, the Revolving Lenders and the Term Lenders acknowledge and agree that, notwithstanding any other provision of this Agreement or any other Credit Document:

(a) the Obligations of the Revolving Lenders and the Obligations of the Term Lenders are fundamentally different from each other and must be separately classified in any plan of reorganization, compromise or arrangement proposed or adopted in an insolvency proceeding including under or in connection the *Companies' Creditors Arrangement Act* or the *Bankruptcy and Insolvency Act*;

(b) upon the occurrence and during the continuance of an Event of Default, so long as Bank of Montreal (in its capacity as a Lender) (the "**Purchasing Party**") exercises the right set forth in this Section 16.16(b), the Purchasing Party may, by the Purchasing Party giving prior written notice to the Term Lenders (an "**Acquisition Notice**") within 30 days of the Event of Default, require the sale, transfer and assignment by the Term Lenders to the Purchasing Party (within fifteen (15) Business Days following receipt by the Term Lenders of such Acquisition Notice) of all (but not only part) of the rights and obligations of the Term Lenders under this Agreement and the other Credit Documents (on an "as is, where is" basis and without

representations or warranties except for those representations relating to due authorization, corporate actions taken to effect transfer and no encumbrances) in consideration for the irrevocable payment in full by the Purchasing Party to the Term Lenders of an amount equal to the Obligations owing to the Term Lenders on the date of such purchase but excluding any premium, make-whole or early termination or early repayment fee. The Borrower hereby acknowledges and agrees that such sale, transfer and assignment by the Term Lenders to the Purchasing Party shall not require its consent thereto;

(c) upon the occurrence and during the continuance of an Event of Default, so long as (i) no Acquisition Notice (as defined in the Intercreditor Agreement) has been delivered to the Agent, (ii) the right to deliver any such Acquisition Notice has expired (the "**Senior Acquisition Period**"), and (iii) Canso, in its capacity as portfolio manager for and behalf of the Term Lenders, exercises the right set forth in this Section 16.16(c), Canso, in its capacity as portfolio manager for and behalf of the Term Lenders, may, by giving prior written notice to the Agent (a "**Canso Acquisition Notice**") within 10 days of the expiry of the Senior Acquisition Period, require the sale, transfer and assignment by the Agent and the Revolving Lenders to the Term Lenders, on a Proportionate Share basis or as otherwise indicated in writing by Canso to the Revolving Lenders, (within thirty (30) Business Days following receipt by the Agent of such Canso Acquisition Notice) of all (but not only part) of the rights and obligations of the Revolving Lenders under this Agreement and the other Credit Documents (on an "as is, where is" basis and without representations or warranties except for those representations relating to due authorization, corporate actions taken to effect transfer and no encumbrances) in consideration for the irrevocable payment in full by such purchasing Term Lenders to the Agent (for the account of the Revolving Lenders) of an amount equal to the Obligations owing to the Agent and the Revolving Lenders on the date of such purchase but excluding any premium, make-whole or early termination or early repayment fee. The Borrower hereby acknowledges and agrees that such sale, transfer and assignment by the Agent and the Revolving Lenders to the Term Lenders shall not require its consent thereto;

(d) for greater certainty, for the purposes of the Intercreditor Agreement and otherwise, (i) any and all Obligations owing to the Term Lenders under this Agreement or any other Credit Document are ABL Claims (as defined in the Intercreditor Agreement) and shall not, at any time, be deemed to be Term Claims (as defined in the Intercreditor Agreement) and (ii) each of the Term Lenders has rights and obligations which are in all ways fundamentally different, distinct and unrelated to the rights and obligations of the holders of Senior Secured Debentures;

(e) except as provided in Section 16.2(2) or as otherwise expressly provided in this Agreement, no Term Lender shall have any voting rights or power under this Agreement or any other Credit Document, whether before or after the occurrence of a Default or Event of Default; and

(f) notwithstanding the CBA Model Provisions and subject to Section 16.16(b) above, no Term Lender may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Agent and each of the other Lenders other than a transfer made by a Term Lender, or by Canso for and on behalf of a Term Lender, to an existing Term Lender or to another Person (other than a natural person), which Person (i) is fully managed by

Canso in Canso's capacity as portfolio manager of such Person, and (ii) has assets managed by Canso in an amount of at least \$100,000,000 at all times, which transfer, for greater certainty, shall not require the prior approval or consent of the Agent, the Borrower or any other Lender.

**Section 16.17 Indemnification of Agent.**

- (1) Each Revolving Lender agrees to indemnify the Agent, its Affiliates, agents, representatives, attorneys any receiver or receiver and manager appointed by the Agent, and the respective officers, directors and employees of each of the foregoing Persons (collectively, the "**Agent Indemnified Persons**") and hold each Agent Indemnified Person harmless (to the extent not reimbursed by the Borrower), rateably according to its Proportionate Share (and not jointly or jointly and severally) from and against any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel, which may be incurred by or asserted against any Agent Indemnified Person in any way relating to or arising out of this Agreement or any other Credit Documents or the transactions herein or therein contemplated; provided that no Revolving Lender shall be liable for any portion (but only that portion and not the full amount of such losses, claims, damages, liabilities and related expenses) of such losses, claims, damages, liabilities and related expenses (i) resulting from the Agent's gross negligence or wilful misconduct, or (ii) relating exclusively to the Term Facility and/or any Term Lender.
- (2) Each Term Lender agrees to indemnify the Agent Indemnified Persons and hold each Agent Indemnified Person harmless (to the extent not reimbursed by the Borrower), rateably according to its Proportionate Share (and not jointly or jointly and severally) from and against any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel, which may be incurred by or asserted against any Agent Indemnified Person in any way relating to or arising out of this Agreement or any other Credit Documents or the transactions herein or therein contemplated; provided that, no Term Lender shall be liable for any portion (but only that portion and not the full amount of such losses, claims, damages, liabilities and related expenses) of such losses, claims, damages, liabilities and related expenses (i) resulting from the Agent's gross negligence or wilful misconduct, or (ii) relating exclusively to the Revolving Facility and/or any Revolving Lender.
- (3) For greater certainty, each of the Revolving Lenders and Term Lenders acknowledge and agree that the indemnity obligations of the Lenders in Section 16.17(1) and Section 16.17(2) are not mutually exclusive.
- (4) The Agent and each of the Lenders hereby acknowledge and agree that this Section 16.17 supersedes and replaces Section 7.5 of the CBA Model Provisions.

**ARTICLE 17**  
**GENERAL**

**Section 17.1 Exchange and Confidentiality of Information**

- (1) Each of the Agent and the Lenders agrees to maintain the confidentiality of Information (as defined below), except that Information may be disclosed (a) to it, its Affiliates and its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential); (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority); (c) to the extent required by Applicable Law or other legal process, unless such Applicable Law or legal process permits the Agent or Lender to refrain from disclosing the Information for confidentiality purposes; (d) to any other party hereto; (e) in connection with the exercise of any remedies hereunder or under any other Credit Document or any action or proceeding relating to this Agreement or any other Credit Document or the enforcement of rights hereunder or thereunder; (f) subject to obtaining an agreement containing provisions substantially the same as those of this Section 17.1, to (i) any assignee of or participant in, or any prospective assignee of or participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap, derivative, credit-linked note or similar transaction relating to the Borrower and its obligations; (g) with the consent of the Borrower; or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section, or (ii) becomes available to the Agent or the Borrower.
- (2) For purposes of this Section 17.1, "**Information**" means all information received in connection with this Agreement from the Borrower relating to the Borrower or any of its Affiliates or any of their respective businesses, other than any such information that is available to the Agent or any Lender on a non-confidential basis prior to such receipt. Any Person required to maintain the confidentiality of Information as provided in this Section 17.1 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. In addition, the Agent may disclose to any agency or organization that assigns standard identification numbers to loan facilities such basic information describing the facilities provided hereunder as is necessary to assign unique identifiers (and, if required, supply a copy of this Agreement), it being understood that the Person to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to make available to the public only such Information as such person normally makes available in the course of its business of assigning identification numbers.

**Section 17.2 Notice**

Any notice or communication to be given under this Agreement (other than telephone notice as specifically provided in this Agreement) may be effectively given by delivering

(whether by courier or personal delivery) the same at the addresses set out in Schedule 17.2 or by sending the same by prepaid registered mail to the parties at such addresses or by facsimile to the parties at the facsimile numbers set out in Schedule 17.2. Any notice so mailed shall be deemed to have been received on the fifth Business Day next following the registered mailing of such notice, provided that postal service is in normal operation during such time. Any facsimile notice shall be deemed to have been received on transmission (and receipt of confirmation of transmission) if sent by any party to this Agreement before 4:00 p.m. Toronto time on a Business Day and, if not, on the next Business Day following transmission. Any party may from time to time notify the other parties, in accordance with the provisions of this Section, of any change of its address or facsimile number which after such notification, until changed by like notice, shall be the address or facsimile number, as the case may be, of such party for all purposes of this Agreement.

### **Section 17.3 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where Property or assets of the Borrower may be found.

### **Section 17.4 Benefit of the Agreement**

This Agreement shall enure to the benefit of and be binding upon each of the Borrower, each Credit Party, the Lenders, the Agent and their respective permitted successors and permitted assigns.

### **Section 17.5 Severability**

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

### **Section 17.6 Whole Agreement**

This Agreement (along with the other Credit Documents) constitutes the whole and entire agreement between the parties hereto and supersedes any prior agreements, undertakings, declarations, representations, written or oral, in respect thereof.

### **Section 17.7 Further Assurances**

The Borrower and each Credit Party, each Lender and the Agent shall promptly cure any default by it in the execution and delivery of this Agreement, the Credit Documents or of any the agreements provided for hereunder to which it is a party. The Credit Parties, at the Borrower's expense, shall promptly execute and deliver to the Agent, upon request by the Agent, all such other and further documents, agreements, opinions, certificates and instruments in compliance with, or accomplishment of the covenants and agreements of the Credit Parties hereunder or more fully to state the obligations of the Credit Parties as set forth herein or to make any

recording, file any notice or obtain any consent, all as may be reasonably necessary or appropriate in connection therewith.

### **Section 17.8 Consent to Jurisdiction**

- (1) Each of the Credit Parties irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Ontario and hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such courts. Each of the Credit Parties hereby irrevocably waives, to the fullest extent it may effectively do so, the defence of an inconvenient forum to the maintenance of such action or proceeding.
- (2) Each of the Credit Parties hereby irrevocably consents to the service of any and all process in such action or proceeding by the delivery of such process to the Credit Parties at its address provided in accordance with Section 17.2.

### **Section 17.9 Time of the Essence**

Time shall be of the essence of this Agreement.

### **Section 17.10 Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

### **Section 17.11 Delivery by Facsimile Transmission**

The delivery of a facsimile copy or a pdf copy of an executed counterpart of this Agreement shall be deemed to be valid execution and delivery of this Agreement, but the party delivering a facsimile or pdf copy shall deliver an original copy of this Agreement as soon as possible after delivering the facsimile or pdf copy.

### **Section 17.12 Currency Indemnity**

If, for the purposes of obtaining judgment in any court in any jurisdiction with respect to this Agreement or any other Credit Document, it becomes necessary to convert into a particular currency (the “**Judgment Currency**”) any amount due under this Agreement or under any other Credit Document in any currency other than the Judgment Currency (the “**Currency Due**”), then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose “rate of exchange” means the rate at which the Agent is able, on the relevant date, to purchase the Currency Due with the Judgment Currency in accordance with its normal practice. In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which the judgment is given and the date of receipt by the Agent of the amount due, the Borrower will, on the date of receipt by the Agent, pay such additional amounts, if any, or be entitled to receive reimbursement of such amount, if any, as may be necessary to ensure that the amount received by the Agent on such date is the

amount in the Judgment Currency which when converted at the rate of exchange prevailing on the date of receipt by the Agent is the amount then due under this Agreement or such other Credit Document in the Currency Due. If the amount of the Currency Due which the Agent is so able to purchase is less than the amount of the Currency Due originally due to it, the Borrower shall indemnify and save the Agent and the Lenders harmless from and against all loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in this Agreement and the other Credit Documents, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by the Agent from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due under this Agreement or any other Credit Document or under any judgment or order.

### **Section 17.13 Anti-Money Laundering Legislation**

The Borrower acknowledges that, pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and other applicable anti-money laundering, anti-terrorist financing, government sanction and “know your client” Applicable Laws (collectively, including any guidelines or orders thereunder, the “**AML Legislation**”), the Agent and the Lenders may be required to obtain, verify and record information regarding the Borrower and the Credit Parties (or any of them), its directors and signing officers and the transactions contemplated herein. The Borrower shall promptly: (a) provide all such information, including supporting documentation and other evidence, as may be reasonably requested by the Agent or any Lender, or any prospective assignee of the Agent or any Lender, in order to comply with any AML Legislation, whether now or hereafter in existence; and (b) notify the recipient of such information of any changes thereto. The Borrower acknowledges that the Facilities are for use by the Borrower and will be used for the business purposes of the Borrower and its Subsidiaries only, in accordance with the terms and conditions set forth in this Agreement.

### **Section 17.14 Absence of Novation and General Amendments.**

- (1) This Agreement is an amendment and restatement of the Original Credit Agreement, the First Amended Credit Agreement, the Second Amended Credit Agreement and the Third Amended Credit Agreement and is in full force and effect, as of and from the date hereof. This Agreement will not discharge or constitute a novation of any debt, obligation, covenant or agreement contained in the Original Credit Agreement, the First Amended Credit Agreement, the Second Amended Credit Agreement, the Third Amended Credit Agreement or in any other Credit Document, agreements, certificates and other documents executed and delivered by or on behalf of the Borrower in respect thereof or in connection therewith, but the same shall remain in full force and effect as amended and restated by this Agreement and is hereby ratified and confirmed in the form of this Agreement. For greater certainty, the parties hereto agree that any Obligations outstanding under the Original Credit Agreement, the First Amended Credit Agreement, the Second Amended Credit Agreement or the Third Amended Credit Agreement as of the date hereof, constitute Obligations outstanding under this Agreement.

- (2) Each reference to the “Credit Agreement” or other similar reference in any of the Credit Documents and all other agreements, certificates and other documents executed and delivered by any of the Credit Parties, the Agent or any of the Lenders in respect thereof or in connection therewith shall mean and be a reference to this Agreement.

**ARTICLE 18**  
**CBA MODEL PROVISIONS**

**Section 18.1 CBA Model Provisions Incorporated by Reference**

The CBA Model Provisions (except for any footnotes contained therein) form part of this Agreement and are incorporated herein by reference, subject to the following variations:

- (a) Each term set out below which is used as a defined or capitalized term in the CBA Model Provisions shall be deemed to have been replaced as set out below; and for greater certainty, such replacement term shall have the meaning ascribed thereto in Section 1.1 of this Agreement:

<b>CBA Model Provisions Definition</b>		<b>Section 1.1 Credit Agreement Definition</b>
“Administrative Agent”	shall be replaced by	“Agent”;
“Applicable Percentage”	shall be replaced by	“Proportionate Share”;
“Default”	shall be replaced by	“Event of Default”;
“Lending Office”	shall be replaced by	“Agent’s Account Branch”;
“Loan”	shall be replaced by	“Advance”;
“Loan Document”	shall be replaced by	“Credit Document”;
“Provisions”	shall be replaced by	“CBA Model Provisions” and
“Required Lenders”	shall be replaced by	“Majority Lenders”.

Capitalized terms used in this Article 18 and not otherwise defined herein shall have the meaning thereto in the CBA Model Provisions.

- (b) The terms “Affiliate”, “Agreement”, “Control”, “Credit Party”, and “Person” shall each have the meaning ascribed to such term as defined in Section 1.1 of this Agreement.

- (c) “Pro rata share”, “rateably” and similar terms in the CBA Model Provisions shall have the meaning ascribed to the term “Proportionate Share” as defined in Section 1.1 of this Agreement, if the context requires.

- (d) The definition of “Related Parties” in the CBA Model Provisions shall be replaced with the definition set out below:

**“Related Parties”** means, with respect to any Person, such Person’s Affiliates and associates, and the directors, officers, employees, agents and advisors of such

Person and of such Person's Affiliates and associates (the term "associate" having the meaning ascribed thereto in the *Business Corporations Act* (Ontario)).

(e) Paragraph 2(2), Paragraph 3.2(f), Paragraph 5(iii)(y), Paragraph 9(b)(iii) and Paragraph 10(f) of the CBA Model Provisions are hereby deleted and of no force or effect.

(f) The parties hereto acknowledge and agree that:

(i) Paragraph 5 is hereby amended to replace the references to "The Credit Party", "a Credit Party", "any Credit Party", "each Credit Party", as the case may be, with references to "The Borrower" or "the Borrower", as the context may require.

(ii) the reference to "\$1,000,000" in Paragraph 10(b)(i) of the CBA Model Provisions is hereby deleted and replaced with "\$5,000,000";

(iii) the processing and recording fee payable to the Agent pursuant to Paragraph 10(b)(vi) of the CBA Model Provisions shall be deemed to be \$3,500 per each such assignment and shall be payable by the Eligible Assignee;

(iv) the initial paragraph of Section 3.3(b) of the CBA Model Provisions is hereby amended to add the proviso "with the consent of the Agent (such consent not to be unreasonably withheld)," following the words "at its sole expense and effort,"; and

(v) Paragraph 9(b) is hereby amended by adding the words "Excluded Taxes" after the words "in respect of".

(g) The Consultation rights of the Borrower in subsection 7.7(1) of the CBA Model Provisions are hereby deleted.

## **Section 18.2 Conflict with CBA Model Provisions**

If there is any conflict or inconsistency between the CBA Model Provisions and the other terms of this Agreement, the other terms of this Agreement shall govern to the extent necessary to resolve the conflict or inconsistency.

## **Section 18.3 Excluded Subsidiaries**

The parties hereto acknowledge and agree that each Excluded Subsidiary is not a Credit Party for purposes of this Agreement or any of the Credit Documents.

**[SIGNATURE PAGES FOLLOW]**

The parties have executed this Agreement as of the day and year first written above.

**BANK OF MONTREAL**, as Agent

Per: (signed) “Shane Klein”

Name: Shane Klein

Title: Managing Director

Per: (signed) “Kuljeet Manj”

Name: Kuljeet Manj

Title: Senior Director

**BANK OF MONTREAL**, as Revolving Lender

Per: (signed) "Shane Klein"  
Name: Shane Klein  
Title: Managing Director

Per: (signed) "Kuljeet Manj"  
Name: Kuljeet Manj  
Title: Senior Director

**ATB FINANCIAL (formerly ALBERTA  
TREASURY BRANCHES), as Revolving Lender**

Per: (signed) "Philip Zhu"

Name: Philip Zhu

Title: Director, Energy Services

Per: (signed) "Rehan Alibhai"

Name: Rehan Alibhai

Title: Portfolio Manager, Energy Services

**CANSO INVESTMENT COUNSEL LTD.**, solely  
with respect to the representations and warranties  
contained in Section 12.3(1) of the Agreement

Per: (signed) "John Laing"  
Name: John Laing  
Title: Portfolio Manager

Per: (signed) "Joe Morin"  
Name: Joe Morin  
Title: Portfolio Manager

**CANSO INVESTMENT COUNSEL, LTD.**, in its capacity as portfolio manager acting for and on behalf of **[REDACTED]**, as Term Lender

Per: (signed) "John Laing"  
Name: John Laing  
Title: Portfolio Manager

Per: (signed) "Joe Morin"  
Name: Joe Morin  
Title: Portfolio Manager

**CANSO INVESTMENT COUNSEL, LTD.**, in its capacity as portfolio manager acting for and on behalf of **[REDCATED]**, as Term Lender

Per: (signed) "John Laing"  
Name: John Laing  
Title: Portfolio Manager

Per: (signed) "Joe Morin"  
Name: Joe Morin  
Title: Portfolio Manager

**CANSO INVESTMENT COUNSEL, LTD.**, in its capacity as portfolio manager acting for and on behalf of **[REDCATED]**, as Term Lender

Per: (signed) "John Laing"

Name: John Laing

Title: Portfolio Manager

Per: (signed) "Joe Morin"

Name: Joe Morin

Title: Portfolio Manager

**CLEARSTREAM ENERGY HOLDINGS LP**, by its  
General Partner **CLEARSTREAM ENERGY  
HOLDINGS INC.**

Per: (signed) "David Randall Watt"

Authorized Signatory

Name: David Randall Watt

**CLEARSTREAM ENERGY SERVICES INC.**

Per: (signed) "Murray Desrosiers"  
Authorized Signatory  
Name: Murray Desrosiers

**SCHEDULE 1.1**

**Term Lenders**

[REDACTED COMMERCIALY SENSITIVE INFORMATION]

## **SCHEDULE 1.1 (A)**

### **AECOM Contingent Obligations and Security**

#### **Part 1 – Before completion of the 2020 Reorganization**

##### **Contingent Obligations**

1. Alberta law Guarantee dated on or about June 26, 2019 entered into by ClearStream Energy Services Inc. in favour of Business Development Bank of Canada in respect of Loan Account No. 162825-01
2. Ontario law Guarantee dated on or about June 26, 2019 entered into by ClearStream Energy Services Inc. in favour of Business Development Bank of Canada in respect of Loan Account No. 162825-01
3. Alberta law Guarantee dated on or about June 26, 2019 entered into by ClearStream Energy Services Inc. in favour of Business Development Bank of Canada in respect of Loan Account No. 162825-02
4. Ontario law Guarantee dated on or about June 26, 2019 entered into by ClearStream Energy Services Inc. in favour of Business Development Bank of Canada in respect of Loan Account No. 162825-02
5. Unsecured Guarantee dated on or about June 26, 2019 entered into by each of the Credit Parties excluding ClearStream Energy Holdings Inc., ClearStream Energy Holdings LP and ClearStream Energy Services Inc. in respect of Loan Account No. 162825-01
6. Unsecured Guarantee dated on or about June 26, 2019 entered into by each of the Credit Parties excluding ClearStream Energy Holdings Inc., ClearStream Energy Holdings LP and ClearStream Energy Services Inc. in respect of Loan Account No. 162825-02

##### **Security**

1. General Security Agreement dated on or about June 26, 2019 entered into by ClearStream Energy Holdings LP in favour of Business Development Bank of Canada

2. General Security Agreement dated on or about June 26, 2019 entered into by ClearStream Energy Holdings Inc. in favour of Business Development Bank of Canada
3. Alberta law General Security Agreement dated on or about June 26, 2019 entered into by ClearStream Energy Services Inc. in favour of Business Development Bank of Canada
4. Ontario law General Security Agreement dated on or about June 26, 2019 entered into by ClearStream Energy Services Inc. in favour of Business Development Bank of Canada
5. First Readvanceable Mortgage dated on or about June 28, 2019 in the principal amount of \$9,500,000 entered into by ClearStream Energy Holdings Inc. in its capacity as general partner of ClearStream Energy Holdings LP (the “**Clairmont Mortgage**”) with respect to property located at 10414 84<sup>th</sup> Ave Clairmont, Alberta, 10301 88<sup>th</sup> Ave Clairmont, Alberta and 10307 88<sup>th</sup> Ave Clairmont, Alberta
6. First Readvanceable Mortgage dated on or about June 28, 2019 in the principal amount of \$2,375,000 entered into by ClearStream Energy Holdings Inc. in its capacity as general partner of ClearStream Energy Holdings LP (the “**Olds Mortgage**”) with respect to property located at 5 Imperial Close, Olds, Alberta and 11 Imperial Close Olds, Alberta
7. First Readvanceable Mortgage dated on or about June 28, 2019 in the principal amount of \$6,400,000 entered into by ClearStream Energy Holdings Inc. in its capacity as general partner of ClearStream Energy Holdings LP (the “**Whitecourt Mortgage**”) with respect to property located at 3315 41<sup>st</sup> Ave Whitecourt, Alberta
8. General Assignment of Rentals dated on or about June 26, 2019 entered into by ClearStream Energy Holdings Inc. in its capacity as general partner of ClearStream Energy Holdings LP in favour of Business Development Bank of Canada in respect of the Clairmont Mortgage
9. General Assignment of Rentals dated on or about June 26, 2019 entered into by ClearStream Energy Holdings Inc. in its capacity as general partner of ClearStream Energy Holdings LP in favour of Business Development Bank of Canada in respect of the Olds Mortgage

10. General Assignment of Rentals dated on or about June 26, 2019 entered into by ClearStream Energy Holdings Inc. in its capacity as general partner of ClearStream Energy Holdings LP in favour of Business Development Bank of Canada in respect of the Whitecourt Mortgage

## **Part 2 – After completion of the 2020 Reorganization**

### **Contingent Obligations**

1. Alberta law Guarantee dated on or about December 31, 2020 entered into by ClearStream Energy Services Inc. in favour of Business Development Bank of Canada in respect of Loan Account No. 205219-01
2. Ontario law Guarantee dated on or about December 31, 2020 entered into by ClearStream Energy Services Inc. in favour of Business Development Bank of Canada in respect of Loan Account No. 205219-01
3. Alberta law Guarantee dated on or about December 31, 2020 entered into by ClearStream Energy Services Inc. in favour of Business Development Bank of Canada in respect of Loan Account No. 205230-01
4. Ontario law Guarantee dated on or about December 31, 2020 entered into by ClearStream Energy Services Inc. in favour of Business Development Bank of Canada in respect of Loan Account No. 205230-01
5. Unsecured Guarantee dated on or about December 31, 2020 entered into by each of the Credit Parties, excluding ClearStream Real Estate LP, ClearStream Equipment LP, ClearStream Energy Equipment Ltd. and ClearStream Energy Services Inc. in respect of Loan Account No. 205219-01
6. Unsecured Guarantee dated on or about December 31, 2020 entered into by each of the Credit Parties, excluding ClearStream Real Estate LP, ClearStream Equipment LP, ClearStream Energy Equipment Ltd. and ClearStream Energy Services Inc. in respect of Loan Account No. 205230-01
7. Alberta Law Guarantee dated on or about December 31, 2020 entered into by ClearStream Real Estate LP respecting Loan Account No. 205230-01
8. Alberta Law Guarantee dated on or about December 31, 2020 entered into by ClearStream Energy Equipment Ltd. respecting Loan Account No. 205230-01
9. Alberta Law Guarantee dated on or about December 31, 2020 entered into by ClearStream Equipment LP respecting Loan Account No. 205219-01
10. Alberta Law Guarantee dated on or about December 31, 2020 entered into by ClearStream Energy Equipment Ltd. respecting Loan Account No. 205219-01

## Security

1. General Security Agreement dated on or about December 31, 2020 entered into by ClearStream Real Estate LP in favour of Business Development Bank of Canada respecting Loan Account No. 205219-01 and Loan Account No. 205230-01
2. General Security Agreement dated on or about December 31, 2020 entered into by ClearStream Energy Equipment Ltd. in favour of Business Development Bank of Canada respecting Loan Account No. 205219-01 and Loan Account No. 205230-01
3. General Security Agreement dated on or about December 31, 2020 entered into by ClearStream Equipment LP in favour of Business Development Bank of Canada respecting Loan Account No. 205219-01 and Loan Account No. 205230-01
4. Alberta law General Security Agreement dated on or about June 26, 2019 entered into by ClearStream Energy Services Inc. in favour of Business Development Bank of Canada respecting Loan Account Nos. 205219-01 and 205230-01
5. Ontario law General Security Agreement dated on or about June 26, 2019 entered into by ClearStream Energy Services Inc. in favour of Business Development Bank of Canada respecting Loan Account Nos. 205219-01 and 205230-01
6. First Readvanceable Mortgage dated on or about June 28, 2019 in the principal amount of \$9,500,000 entered into by ClearStream Energy Holdings Inc. in its capacity as general partner of ClearStream Energy Holdings LP (the "Clairmont Mortgage") with respect to property located at 10414 84<sup>th</sup> Ave Clairmont, Alberta, 10301 88<sup>th</sup> Ave Clairmont, Alberta and 10307 88<sup>th</sup> Ave Clairmont, Alberta
7. First Readvanceable Mortgage dated on or about June 28, 2019 in the principal amount of \$2,375,000 entered into by ClearStream Energy Holdings Inc. in its capacity as general partner of ClearStream Energy Holdings LP (the "Olds Mortgage") with respect to property located at 5 Imperial Close, Olds, Alberta, 7 Imperial Close, Olds, Alberta and 11 Imperial Close Olds, Alberta
8. First Readvanceable Mortgage dated on or about June 28, 2019 in the principal amount of \$6,400,000 entered into by ClearStream Energy Holdings Inc. in its capacity as general partner of ClearStream Energy Holdings LP (the "Whitecourt Mortgage") with respect to property located at 3315 41<sup>st</sup> Ave Whitecourt, Alberta
9. General Assignment of Rentals dated on or about June 26, 2019 entered into by ClearStream Energy Holdings Inc. in its capacity as general partner of ClearStream Energy Holdings LP in favour of Business Development Bank of Canada in respect of the Clairmont Mortgage
10. General Assignment of Rentals dated on or about June 26, 2019 entered into by ClearStream Energy Holdings Inc. in its capacity as general partner of ClearStream Energy Holdings LP in favour of Business Development Bank of Canada in respect of the Olds Mortgage

11. General Assignment of Rentals dated on or about June 26, 2019 entered into by ClearStream Energy Holdings Inc. in its capacity as general partner of ClearStream Energy Holdings LP in favour of Business Development Bank of Canada in respect of the Whitecourt Mortgage

(items 6 – 11 above collectively referred to in this Schedule as the “BDC Mortgage Security”).

12. Mortgage Assumption Agreement dated on or about December 31, 2020 entered into by ClearStream Real Estate LP, by its general partner ClearStream Energy Equipment Ltd. and ClearStream Energy Equipment Ltd. as borrowers in respect of the BDC Mortgage Security.
13. Consent, Direction and Beneficial Charge Agreement dated on or about December 31, 2020 entered into by ClearStream Real Estate LP, by its general partner ClearStream Energy Equipment Ltd. and ClearStream Energy Equipment Ltd. respecting the BDC Mortgage Security

**SCHEDULE 1.1(B)**

**AECOM Priority Collateral**

Vehicles and Equipment

[LIST OF EQUIPMENT REDACTED]

Owned Real Property

[PROPERTY DESCRIPTIONS REDACTED]

**SCHEDULE 11.1(2)(a)(vii)**

**Other Closing Deliveries**

Nil

**SCHEDULE 12.1(d)**  
**Business and Operations**

**Part 1 – Before completion of 2020 Reorganization**

<b>Name of Credit Party</b>	<b>Description of Business and Operations</b>	<b>Locations of Business and Operations</b>
AFX Materials & Fabrication Ltd.	No active business	n/a
BVL Construction Services Inc.	No active business	n/a
ClearStream Contracting LP	Industrial Services	191 MacDonald Crescent McMurray, AB T9H 4B3
ClearStream Contracting GP Inc.	General Partner	191 MacDonald Crescent McMurray, AB T9H 4B3
ClearStream Energy Holdings Inc.	General Partner	See Schedule 12.1(t)
ClearStream Energy Holdings LP	Holding company	See Schedule 12.1(t)
ClearStream Energy Services Inc.	Holding company	Suite 415, 311 – 6th Ave SW Calgary, AB T2P 3H2
ClearStream Energy Services Limited Partnership	Industrial Services	See Schedule 12.1(t)
ClearStream Environmental Consulting Service Inc.	General Partner	Suite 1650, 311 – 6th Ave SW Calgary, AB T2P 3H2
ClearStream Environmental Consulting Service LP	Environmental Services	Suite 1650, 311 – 6th Ave SW Calgary, AB T2P 3H2
ClearStream Industrial Services GP Inc.	No active business	n/a
ClearStream Industrial Services LP	No active business	n/a
ClearStream Transportation Services GP Inc.	No active business	n/a
ClearStream Transportation Services LP	No active business	n/a
ClearStream Wear Technologies GP Inc.	General Partner	11 Liberty Road Sherwood Park, AB T8H 2V2

<b>Name of Credit Party</b>	<b>Description of Business and Operations</b>	<b>Locations of Business and Operations</b>
ClearStream Wear Technologies LP	Industrial Services	11 Liberty Road Sherwood Park, AB T8H 2V2
Clearwater Energy Services GP Inc.	General Partner	106 Strathmoor Drive Sherwood Park, AB T8H 2B7
Clearwater Energy Services LP	Industrial Services	106 Strathmoor Drive Sherwood Park, AB T8H 2B7
Clearwater Fabrication GP Inc.	No active business	n/a
Clearwater Fabrication LP	No active business	n/a
Clearwater Holdings GP Inc.	General Partner	106 Strathmoor Drive Sherwood Park, AB T8H 2B7
Clearwater Holdings LP	Holding company	106 Strathmoor Drive Sherwood Park, AB T8H 2B7
Cobra Contracting Limited Partnership	No active business	n/a
Golosky Holdings GP Inc.	No active business	n/a
Golosky Holdings LP	No active business	n/a
Nor-Tech Systems GP Inc.	No active business	n/a
Nor-Tech Systems LP	No active business	n/a
Petrocare Services Limited Partnership	No active business	n/a
Phoenix Machine GP Inc.	No active business	n/a
Phoenix Machine LP	No active business	n/a
Quantum Murray GP Inc.	No active business	n/a
Quantum Murray LP	No active business	n/a
Titan Supply GP Inc.	No active business	n/a
Titan Supply LP	No active business	n/a
Tuckamore GP Inc.	General Partner	Suite 415, 311 – 6th Ave SW Calgary, AB T2P 3H2
Tuckamore Holdings LP	Holding company	Suite 415, 311 – 6th Ave SW Calgary, AB T2P 3H2
Universal Weld Overlays Inc.	Industrial Services	135 East Lake Boulevard Airdrie, AB T4A 2G1

**Part 2 – After completion of 2020 Reorganization**

<b>Name of Credit Party</b>	<b>Description of Business and Operations</b>	<b>Locations of Business and Operations</b>
ClearStream Energy Services Inc.	Holding company	Suite 415, 311 – 6th Ave SW Calgary, AB T2P 3H2
Flint GP Inc.	General Partner	Suite 415, 311 – 6th Ave SW Calgary, AB T2P 3H2
ClearStream Energy Services Limited Partnership	Industrial Services	See Schedule 12.1(t)
ClearStream Wear Technologies GP Inc.	General Partner	11 Liberty Road Sherwood Park, AB T8H 2V2
ClearStream Wear Technologies LP	Industrial Services	11 Liberty Road Sherwood Park, AB T8H 2V2
ClearStream Energy Equipment Ltd.	General Partner	Suite 415, 311 – 6th Ave SW Calgary, AB T2P 3H2
ClearStream Real Estate LP	Holding LP for real estate	Suite 415, 311 – 6th Ave SW Calgary, AB T2P 3H2
ClearStream Equipment LP	Holding LP for equipment	Suite 415, 311 – 6th Ave SW Calgary, AB T2P 3H2
Clearwater Energy Services GP Inc.	General Partner	106 Strathmoor Drive Sherwood Park, AB T8H 2B7
Clearwater Energy Services LP	Industrial Services	106 Strathmoor Drive Sherwood Park, AB T8H 2B7

**SCHEDULE 12.1(e)**  
**Approvals**

None

**SCHEDULE 12.1(I)**  
**Taxes**

None

**SCHEDULE 12.1(m)**  
**List of Subsidiaries**

**Part 1 – Before completion of the 2020 Reorganization**

<u><i>Subsidiary</i></u>	<u><i>Registered Owner</i></u>	<u><i>Direct Subsidiaries</i></u>
1831567 Alberta Ltd. <sup>1</sup>	ClearStream Energy Holdings LP (100%)	Nil
521855 Alberta Ltd. <sup>2</sup>	ClearStream Energy Holdings LP (50%)	Nil
AFX Materials & Fabrication Ltd.	ClearStream Energy Holdings LP (100%)	Nil
Brospec 2001 GP Inc. <sup>3</sup>	Clearwater Holdings LP (100%)	General Partner of Brospec 2001 LP
Brospec 2001 LP <sup>4</sup>	Brospec 2001 GP Inc. (General Partner) Clearwater Holdings LP (100%)	Nil
BVL Construction Services Inc.	Petrocare Services Limited Partnership (95%) Marcel Auger (2.25%) Gilbert Auger (1.25%) Robert Cardinal (.75%) Dwayne Calliou (.75%)	Nil
ClearStream Contracting GP Inc.	Golosky Holdings LP (100%)	General Partner of ClearStream Contracting LP
ClearStream Contracting LP	ClearStream Contracting GP Inc. (General Partner) Golosky Holdings LP (100%)	Nil
ClearStream Energy Equipment Ltd. <sup>5</sup>	ClearStream Energy Services Limited Partnership (100%)	Nil

<sup>1</sup> Excluded Subsidiary

<sup>2</sup> Excluded Subsidiary

<sup>3</sup> Excluded Subsidiary

<sup>4</sup> Excluded Subsidiary

<sup>5</sup> Excluded Subsidiary

<u>Subsidiary</u>	<u>Registered Owner</u>	<u>Direct Subsidiaries</u>
ClearStream Energy Holdings Inc. (formerly NPC Integrity Energy Services Ltd.)	Tuckamore Holdings LP (100%)	General Partner of ClearStream Energy Holdings LP; ClearStream Energy Services Limited Partnership; Cobra Contracting Limited Partnership; Petrocare Services Limited Partnership
ClearStream Energy Holdings LP (formerly NPC Integrity Energy Services Limited Partnership )	Tuckamore Holdings LP (99.9964%)	521855 Alberta Ltd.; AFX Materials & Fabrication Ltd. ClearStream Energy Services Limited Partnership; Clearwater Holdings GP Inc.;
	McConnell Holdings Limited (0.0035%)	Clearwater Holdings LP; Cobra Contracting Limited Partnership; Golosky Holdings GP Inc.;
	ClearStream Energy Holdings Inc. (General Partner)	Golosky Holdings LP; International Supply Services Ltd.;
ClearStream Energy Services Inc. (formerly Tuckamore Capital Management Inc.)	N/A	McConnell Holdings Limited; Nor-Tech Systems GP Inc.;
		Nor-Tech Systems LP; Petrocare Services Limited Partnership Universal Weld Overlays Inc.
		ClearStream Environmental Consulting Service GP Inc.

<u>Subsidiary</u>	<u>Registered Owner</u>	<u>Direct Subsidiaries</u>
		Tuckamore Holdings LP; Tuckamore GP Inc.
ClearStream Energy Services Limited Partnership	ClearStream Energy Holdings LP (100%)	ClearStream Energy Equipment Ltd.
	ClearStream Energy Holdings Inc. (General Partner)	
ClearStream Environmental Consulting Service Inc.	ClearStream Energy Services Inc. (100%)	General Partner of ClearStream Environmental Consulting Service LP
ClearStream Environmental Consulting Service LP	ClearStream Environmental Consulting Service Inc. (General Partner)	Nil
	ClearStream Energy Services Inc.	
ClearStream Industrial Services GP Inc. (formerly A.M.P. Construction GP Inc.)	Golosky Holdings LP (100%)	General Partner of ClearStream Industrial Services LP
ClearStream Industrial Services LP (formerly A.M.P. Construction LP)	ClearStream Industrial Services GP Inc. (General Partner)	Nil
	Golosky Holdings LP (100%)	
ClearStream Transportation Services GP Inc.	Golosky Holdings LP (100%)	General Partner of ClearStream Transportation Services LP
ClearStream Transportation Services LP	ClearStream Transportation Services GP Inc. (General Partner)	Nil
	Golosky Holdings LP (100%)	
ClearStream Wear Technologies GP Inc.	Golosky Holdings LP (100%)	General Partner of ClearStream Wear Technologies LP

<b><u>Subsidiary</u></b>	<b><u>Registered Owner</u></b>	<b><u>Direct Subsidiaries</u></b>
ClearStream Wear Technologies LP	ClearStream Wear Technologies GP Inc. (General Partner)	Nil
	Golosky Holdings LP (100%)	
Clearwater Energy Services GP Inc.	Clearwater Holdings LP (100%)	General Partner of Clearwater Energy Services LP
Clearwater Energy Services LP	Clearwater Energy Services GP Inc. (General Partner)	Nil
	Clearwater Holdings LP (100%)	
Clearwater Fabrication GP Inc.	Clearwater Holdings LP (100%)	General Partner of Clearwater Fabrication LP
Clearwater Fabrication LP	Clearwater Fabrication GP Inc. (General Partner)	Nil
	Clearwater Holdings LP (100%)	
Clearwater Holdings GP Inc.	ClearStream Energy Holdings LP (100%)	General Partner of Clearwater Holdings LP
Clearwater Holdings LP	Clearwater Holdings GP Inc. (General Partner)	Brospec 2001 GP Inc.; Brospec 2001 LP; Clearwater Energy Services GP Inc.; Clearwater Energy Services LP; Clearwater Fabrication GP Inc.; Clearwater Fabrication LP
	Clearstream Energy Holdings LP (100%)	
Cobra Contracting Limited Partnership	ClearStream Energy Holdings LP (100%)	Nil

<b><u>Subsidiary</u></b>	<b><u>Registered Owner</u></b>	<b><u>Direct Subsidiaries</u></b>
	ClearStream Energy Holdings Inc. (General Partner)	
Golosky Energy Services Ltd. <sup>6</sup>	Tuckamore Holdings LP (100%)	Nil
Golosky Holdings GP Inc.	ClearStream Energy Holdings LP (100%)	General Partner of Golosky Holdings LP
Golosky Holdings LP	Golosky Holdings GP Inc. (General Partner)	ClearStream Contracting GP Inc.; ClearStream Contracting LP; ClearStream Industrial Services GP Inc. ClearStream Industrial Services LP ClearStream Transportation Services GP Inc.; ClearStream Transportation Services LP; ClearStream Wear Technologies GP Inc.; ClearStream Wear Technologies LP; Phoenix Machine GP Inc.; Phoenix Machine LP
	ClearStream Energy Holdings LP (100%)	
International Supply Services Ltd. <sup>7</sup>	ClearStream Energy Holdings LP (100%)	Nil
McConnell Holdings Limited <sup>8</sup>	ClearStream Energy Holdings LP (100%)	ClearStream Energy Holdings LP
Nor-Tech Properties Inc. <sup>9</sup>	Nor-Tech Systems LP (100%)	Nil
Nor-Tech Systems GP Inc.	ClearStream Energy Holdings LP (100%)	General Partner of Nor-Tech Systems LP

<sup>6</sup> Excluded Subsidiary

<sup>7</sup> Excluded Subsidiary

<sup>8</sup> Excluded Subsidiary

<sup>9</sup> Excluded Subsidiary

<u>Subsidiary</u>	<u>Registered Owner</u>	<u>Direct Subsidiaries</u>
Nor-Tech Systems LP	ClearStream Energy Holdings LP (100% Class B) 1831567 Alberta Ltd. (100% Class C)	Nor-Tech Properties Inc.
	Nor-Tech Systems GP Inc. (General Partner)	
Petrocare Services Limited Partnership	ClearStream Energy Holdings LP (100%)	Petrocare Transportation Ltd.; BVL Construction Services Inc.
	ClearStream Energy Holdings Inc. (General Partner)	
Petrocare Transportation Ltd. <sup>10</sup>	Petrocare Services Limited Partnership (100%)	Nil
Phoenix Machine GP Inc.	Golosky Holdings LP (100%)	General Partner of Phoenix Machine LP
Phoenix Machine LP	Phoenix Machine GP Inc. (General Partner) Golosky Holdings LP (100%)	Nil
Quantum Murray Facilities LP <sup>11</sup>	Quantum Murray LP (100%)	Nil
	Quantum Murray GP Inc. (General Partner)	
Quantum Murray GP Inc.	Tuckamore Holdings LP (100%)	General Partner of Quantum Murray LP General Partner of Quantum Murray Facilities LP General Partner of Thomson Metals and Disposal LP General Partner of Thomson Waste Transfer LP

<sup>10</sup> Excluded Subsidiary

<sup>11</sup> Excluded Subsidiary

<b><u>Subsidiary</u></b>	<b><u>Registered Owner</u></b>	<b><u>Direct Subsidiaries</u></b>
Quantum Murray LP	Quantum Murray GP Inc. (General Partner)	Quantum Murray Facilities LP
	Tuckamore Holdings LP (100%)	Thomson Metals and Disposal LP Thomson Waste Transfer LP
RGC Canada Ltd. <sup>12</sup>	Tuckamore Holdings LP	Nil
Thomson Metals and Disposal LP <sup>13</sup>	Quantum Murray LP (100%)	Nil
	Quantum Murray GP Inc. (General Partner)	
Thomson Waste Transfer LP <sup>14</sup>	Quantum Murray LP (100%)	Nil
	Quantum Murray GP Inc. (General Partner)	
Titan Supply GP Inc.	Tuckamore Holdings LP (100%)	General Partner of Titan Supply LP
Titan Supply LP	Titan Supply GP Inc. (General Partner)	Nil
	Tuckamore Holdings LP (100%)	
Tuckamore Amalco Inc. <sup>15</sup>	Tuckamore Holdings LP (100%)	Nil
Tuckamore GP Inc.	ClearStream Energy Services Inc. (100%)	General Partner of Tuckamore Holdings LP
Tuckamore Holdings LP	Tuckamore GP Inc. (General Partner) ClearStream Energy Services Inc. (100%)	Golosky Energy Services Ltd.; ClearStream Energy Holdings LP; ClearStream Energy Holdings Inc.; RGC Canada Ltd.; Tuckamore Amalco Inc. Quantum Murray GP Inc. Quantum Murray LP Titan Supply GP Inc. Titan Supply LP

<sup>12</sup> Excluded Subsidiary

<sup>13</sup> Excluded Subsidiary

<sup>14</sup> Excluded Subsidiary

<sup>15</sup> Excluded Subsidiary

<u>Subsidiary</u>	<u>Registered Owner</u>	<u>Direct Subsidiaries</u>
Universal Weld Overlays Inc.	ClearStream Energy Holdings LP (100%)	Nil
Thomson GP Inc. <sup>16</sup>	N/A	Nil
Cobra Contracting GP Inc. <sup>17</sup>	N/A	Nil

## Part 2 – After completion of the 2020 Reorganization

<u>Subsidiary</u>	<u>Registered Owner</u>	<u>Direct Subsidiaries</u>
ClearStream Energy Services Inc.	Publicly-traded company	All entities listed below
Flint GP Inc.	ClearStream Energy Services Inc. (100%)	General Partner of ClearStream Energy Services Limited Partnership
ClearStream Energy Services Limited Partnership	ClearStream Energy Services Inc. (99.99%)	Nil
	Flint GP Inc. (General Partner)	
ClearStream Wear Technologies GP Inc.	ClearStream Energy Services Inc. (100%)	General Partner of ClearStream Wear Technologies LP
ClearStream Wear Technologies LP	ClearStream Energy Services Inc. (99.99%)	Nil
	ClearStreamWear Technologies GP Inc. (General Partner)	
Clearwater Energy Services GP Inc.	ClearStream Energy Services Inc. (100%)	General Partner of Clearwater Energy Services LP
Clearwater Energy Services LP	ClearStream Energy Services Inc. (99.99%)	Nil

<sup>16</sup> Excluded subsidiary. This entity will be wound-up/dissolved as part of the 2020 Reorganization and, for that reason, has not been referenced in any of the other schedules.

<sup>17</sup> This entity will be wound-up/dissolved as part of the 2020 Reorganization and, for that reason, has not been referenced in any of the other schedules.

<u>Subsidiary</u>	<u>Registered Owner</u>	<u>Direct Subsidiaries</u>
	Clearwater Energy Services GP Inc. (General Partner)	
ClearStream Energy Equipment Ltd.	ClearStream Energy Services Inc. (100%)	General Partner of ClearStream Real Estate LP and ClearStream Equipment LP
ClearStream Real Estate LP	ClearStream Energy Services Inc. (99.99%)	Nil
	ClearStream Energy Equipment Ltd. (General Partner)	
ClearStream Equipment LP	ClearStream Energy Services Inc. (99.99%)	Nil
	ClearStream Energy Equipment Ltd. (General Partner)	
521855 Alberta Ltd. <sup>18</sup>	ClearStream Energy Services Inc. (50%)	Nil
Quantum Murray GP Inc. <sup>19</sup>	ClearStream Energy Services Inc. (100%)	General Partner of Quantum Murray LP
Quantum Murray LP <sup>20</sup>	ClearStream Energy Services Inc. (99.99%)	Nil
	Quantum Murray GP Inc. (General Partner)	

<sup>18</sup> Excluded Subsidiary

<sup>19</sup> Excluded Subsidiary

<sup>20</sup> Excluded Subsidiary



**SCHEDULE 12.1(s)**  
**Intellectual Property**

**Trade-Marks**

\* These trademarks were acquired from AECOM Energy Services Ltd. on June 28, 2019. A request to transfer them to ClearStream Energy Holdings Inc. was submitted on January 30, 2020.

<b>Current Owner/ Applicant</b>	<b>Trademark</b>	<b>Registration Date</b>	<b>Registration No./Application No.</b>
ClearStream Energy Holdings Inc.*	FLINT	2013-10-08	TMA862197
ClearStream Energy Holdings Inc.*	FLINT ENERGY	2013-10-08	TMA862199
ClearStream Energy Holdings Inc.*	Flint & Arrow Design #1	2011-02-04	TMA789783
ClearStream Energy Holdings Inc.*	Flint & Arrow Design #2	2011-02-04	TMA789782
ClearStream Energy Holdings Inc.*	Arrow Design	2011-02-04	TMA789784
ClearStream Energy Holdings Inc.*	Tough and Trusted	2011-09-08	TMA806279
ClearStream Energy Holdings Inc.	CLEARSTREAM ENERGY SERVICES & DESIGN	2013-09-19	TMA860,655
ClearStream Energy Holdings Inc.	CLEARWATER & DESIGN (new)	2016-02-11	TMA928,781
ClearStream Energy Holdings Inc.	CLEARWATER ENERGY SERVICES & DESIGN (new)	2016-02-11	TMA928,783

<b>Current Applicant</b>	<b>Owner/</b>	<b>Trademark</b>	<b>Registration Date</b>	<b>Registration No./Application No.</b>
ClearStream Energy Holdings Inc.		CLEARWATER & DESIGN (old)	2017-04-20	TMA968,691
ClearStream Energy Holdings Inc.		CLEARWATER ENERGY SERVICES & DESIGN (old)	2017-04-20	TMA968,690
ClearStream Energy Holdings Inc.		GOLOSKY ENERGY SERVICES & 4G DESIGN	2012-09-12	TMA831,831
ClearStream Energy Holdings Inc.		GOLOSKY ENERGY SERVICES	2012-09-12	TMA831,842
ClearStream Energy Holdings Inc.		GOLOSKY TRUCKING & CONTRACTING	2012-04-19	TMA822,590
ClearStream Energy Holdings Inc.		4 G DESIGN	2012-05-24	TMA824,755
ClearStream Energy Holdings Inc.		GOLOSKY TRUCKING & CONTRACTING & DESIGN	2012-04-19	TMA822,575
ClearStream Energy Holdings Inc.		GOLOSKY TRUCKING & DESIGN	2012-04-19	TMA822,591
ClearStream Energy Holdings Inc.		HELPING CUSTOMERS BRING ENERGY TO OUR WORLD	2013-05-02	TMA850,150
ClearStream Energy Holdings Inc.		B & Design	1982-08-06	TMA271,527

## **Patents**

Canadian Patent No. 2,696,808 granted May 3, 2011 (apparatus for coating a pipe surface)

Canadian Patent No. 2,696,817 granted May 3, 2011 (apparatus for coating a pipe surface)

United States Patent No. US 7,915,561 B2 granted March 29, 2011 (apparatus for coating a pipe surface)

## **Industrial Designs**

None

## **Copyrights**

None

## **Trade Names**

The following trade names have been registered by ClearStream Energy Services Inc. in Alberta:

ClearStream Contracting

ClearStream Energy Holdings

ClearStream Environmental Consulting Service

Universal Weld Overlays

UWO

**SCHEDULE 12.1(t)**  
**Real Property and Locations of ABL Collateral**

**Part 1 – Before completion of 2020 Reorganization**

**Owned Real Property**

<b><u>Credit Party/Owner</u></b>	<b><u>Municipal Address</u></b>
ClearStream Energy Holdings Inc. (on behalf of ClearStream Energy Holdings LP)	10414 – 84 <sup>th</sup> Avenue, Clairmont, Alberta
ClearStream Energy Holdings Inc. (on behalf of ClearStream Energy Holdings LP)	10301 – 88 <sup>th</sup> Avenue, Clairmont, Alberta
ClearStream Energy Holdings Inc. (on behalf of ClearStream Energy Holdings LP)	10307 – 88 <sup>th</sup> Avenue, Clairmont, Alberta
ClearStream Energy Holdings Inc. (on behalf of ClearStream Energy Holdings LP)	5 Imperial Close, Olds, Alberta
ClearStream Energy Holdings Inc. (on behalf of ClearStream Energy Holdings LP)	11 Imperial Close, Olds, Alberta
ClearStream Energy Holdings Inc. (on behalf of ClearStream Energy Holdings LP)	3315 – 41 <sup>st</sup> Avenue, Whitecourt, Alberta

**Leased Real Property**

<b><u>Credit Party</u></b>	<b><u>Municipal Address of Leased Real Property</u></b>
ClearStream Energy Holdings LP	415, 311 – 6 <sup>th</sup> Ave SW, Calgary, AB, T2P 3H2
ClearStream Energy Holdings LP	1210, 311 – 6 <sup>th</sup> Ave SW, Calgary, AB, T2P 3H2
ClearStream Energy Holdings LP	1650, 311 – 6 <sup>th</sup> Ave SW, Calgary, AB, T2P 3H2
ClearStream Energy Holdings LP (by ClearStream Energy Holdings Inc.)	201, 4723 – 52nd Ave NW, Edmonton, AB T6B 3R6
ClearStream Energy Services Limited Partnership	191 MacDonald Crescent, Fort McMurray, AB T9H 4B3
ClearStream Energy Holdings LP	4747 – 78A Street Close, Red Deer, AB T4P 2G9
ClearStream Energy Holdings LP	106 Strathmoor Drive, Sherwood Park, AB T8H 2B7
ClearStream Energy Holdings LP	#242013 Range Road 243, Strathmore, AB T1P 1K2

<b><u>Credit Party</u></b>	<b><u>Municipal Address of Leased Real Property</u></b>
ClearStream Energy Holdings LP (by ClearStream Energy Holdings Inc.)	#22 53304 Range Road 170, Yellowhead County, AB T7E 1T6 (Edson office)
ClearStream Energy Holdings LP (by ClearStream Energy Holdings Inc.)	Lot 1, Block 1, Plan 0620135, Sturgeon County, Alberta
ClearStream Energy Services Limited Partnership	11784 MacLean Road, Fort St. John, BC V0C 1H0
ClearStream Energy Services Limited Partnership (by ClearStream Energy Holdings Inc.)	Hwy. 55 West, Cold Lake, AB (NE13-63-3W4M)
ClearStream Energy Services Limited Partnership (by ClearStream Energy Holdings Inc.)	10501 – 77 <sup>th</sup> Street, Peace River, AB T8S 1R2
ClearStream Wear Technologies, LP	11 Liberty Road, Sherwood Park, AB T8H 2V2
ClearStream Energy Holdings LP (by ClearStream Energy Holdings Inc.)	49 Willoughby Street, Lloydminster, AB T9V 0Y4
Universal Weld Overlays Inc.	135 East Lake Boulevard, Airdrie, AB T4A 2G1

### **Location of ABL Collateral**

<b><u>Name of Credit Party</u></b>	<b><u>Municipal Address</u></b>
AFX Materials & Fabrication Ltd.	Nil
BVL Construction Services Inc.	Nil
ClearStream Contracting LP	Nil
ClearStream Contracting GP Inc.	Nil
ClearStream Energy Holdings Inc.	Nil
ClearStream Energy Holdings LP	Nil
ClearStream Energy Services Inc.	Suite 415, Suite 1210 and Suite 1650, 311 – 6th Ave SW, Calgary, AB T2P 3H2
ClearStream Energy Services Limited Partnership	Nil
ClearStream Environmental Consulting Service Inc.	Nil

<b><u>Name of Credit Party</u></b>	<b><u>Municipal Address</u></b>
ClearStream Environmental Consulting Service LP	Nil
ClearStream Industrial Services GP Inc.	Nil
ClearStream Industrial Services LP	Nil
ClearStream Transportation Services GP Inc.	Nil
ClearStream Transportation Services LP	Nil
ClearStream Wear Technologies GP Inc.	Nil
ClearStream Wear Technologies LP	11 Liberty Road, Sherwood Park, AB T8H 2V2  49 Willoughby Street, Lloydminster, AB T9V 0Y4
Clearwater Energy Services GP Inc.	Nil
Clearwater Energy Services LP	Nil
Clearwater Fabrication GP Inc.	Nil
Clearwater Fabrication LP	Nil
Clearwater Holdings GP Inc.	Nil
Clearwater Holdings LP	Nil
Cobra Contracting Limited Partnership	Nil
Golosky Holdings GP Inc.	Nil
Golosky Holdings LP	Nil
Nor-Tech Systems GP Inc.	Nil
Nor-Tech Systems LP	Nil
Petrocare Services Limited Partnership	Nil
Phoenix Machine GP Inc.	Nil
Phoenix Machine LP	Nil
Quantum Murray GP Inc.	Nil

<u>Name of Credit Party</u>	<u>Municipal Address</u>
Quantum Murray LP	Nil
Titan Supply GP Inc.	Nil
Titan Supply LP	Nil
Tuckamore GP Inc.	Nil
Tuckamore Holdings LP	Nil
Universal Weld Overlays Inc.	135 East Lake Boulevard, Airdrie, AB, T4A 2G1

## Part 2 – After completion of 2020 Reorganization

### Owned Real Property

<u>Credit Party/Owner</u>	<u>Municipal Address</u>
ClearStream Energy Equipment Ltd. (on behalf of ClearStream Real Estate LP)	10414 – 84 <sup>th</sup> Avenue, Clairmont, Alberta
ClearStream Energy Equipment Ltd. (on behalf of ClearStream Real Estate LP)	10301 – 88 <sup>th</sup> Avenue, Clairmont, Alberta
ClearStream Energy Equipment Ltd. (on behalf of ClearStream Real Estate LP)	10307 – 88 <sup>th</sup> Avenue, Clairmont, Alberta
ClearStream Energy Equipment Ltd. (on behalf of ClearStream Real Estate LP)	5 Imperial Close, Olds, Alberta
ClearStream Energy Equipment Ltd. (on behalf of ClearStream Real Estate LP)	11 Imperial Close, Olds, Alberta
ClearStream Energy Equipment Ltd. (on behalf of ClearStream Real Estate LP)	3315 – 41 <sup>st</sup> Avenue, Whitecourt, Alberta

### Leased Real Property

<u>Credit Party</u>	<u>Municipal Address of Leased Real Property</u>
ClearStream Energy Services Inc.	415, 311 – 6 <sup>th</sup> Ave SW, Calgary, AB, T2P 3H2
ClearStream Energy Services Inc.	1210, 311 – 6 <sup>th</sup> Ave SW, Calgary, AB, T2P 3H2

<u>Credit Party</u>	<u>Municipal Address of Leased Real Property</u>
ClearStream Energy Services Inc.	1650, 311 – 6 <sup>th</sup> Ave SW, Calgary, AB, T2P 3H2
ClearStream Energy Services Inc.	201, 4723 – 52nd Ave NW, Edmonton, AB T6B 3R6
ClearStream Energy Services Limited Partnership	191 MacDonald Crescent, Fort McMurray, AB T9H 4B3
ClearStream Energy Services Limited Partnership	4747 – 78A Street Close, Red Deer, AB T4P 2G9
ClearStream Energy Services Limited Partnership	106 Strathmoor Drive, Sherwood Park, AB T8H 2B7
ClearStream Energy Services Limited Partnership	#242013 Range Road 243, Strathmore, AB T1P 1K2
ClearStream Energy Services Limited Partnership	#22 53304 Range Road 170, Yellowhead County, AB T7E 1T6 (Edson office)
ClearStream Energy Services Inc.	Lot 1, Block 1, Plan 0620135, Sturgeon County, Alberta
ClearStream Energy Services Limited Partnership	11784 MacLean Road, Fort St. John, BC V0C 1H0
ClearStream Energy Services Limited Partnership	Hwy. 55 West, Cold Lake, AB (NE13-63-3W4M)
ClearStream Energy Services Limited Partnership	10501 – 77 <sup>th</sup> Street, Peace River, AB T8S 1R2
ClearStream Wear Technologies, LP	11 Liberty Road, Sherwood Park, AB T8H 2V2
ClearStream Wear Technologies, LP	49 Willoughby Street, Lloydminster, AB T9V 0Y4
ClearStream Wear Technologies, LP	135 East Lake Boulevard, Airdrie, AB T4A 2G1

### Location of ABL Collateral

<u>Name of Credit Party</u>	<u>Municipal Address</u>
ClearStream Energy Services Inc.	Suite 415, 311 – 6th Ave SW, Calgary, AB T2P 3H2
Flint GP Inc.	Nil
ClearStream Energy Services Limited Partnership	Nil

<u>Name of Credit Party</u>	<u>Municipal Address</u>
ClearStream Wear Technologies GP Inc.	Nil
ClearStream Wear Technologies LP	11 Liberty Road, Sherwood Park, AB T8H 2V2  49 Willoughby Street, Lloydminster, AB T9V 0Y4  135 East Lake Boulevard, Airdrie, AB, T4A 2G1
Clearwater Energy Services GP Inc.	Nil
Clearwater Energy Services LP	Nil

**SCHEDULE 12.1 (u)**  
**QM Litigation**

<b>Date Notified / Filed</b>	<b>Parties</b>	<b>Counsel</b>	<b>Type of Claim / Exposure</b>	<b>Description</b>	<b>Developments</b>
Sept. 19, 2011	Quantum Murray LP	DLA Piper (Vancouver)  Morgan Burris and Brian Hiebert	Commercial / Environmental	<p>A claim has been brought against Quantum Murray LP (“QMLP”) by South Island Aggregates Ltd. and 0782484 B.C. Ltd. (the “SIA Group”) for damages arising out of the alleged contamination of the SIA Group’s lands. The SIA Group has named several parties, including QMLP, as defendants.</p> <p>One of the defendants, Kevin Bromley, hired QMLP to dispose of soil located on the Hallowell Rd property, which QMLP ultimately delivered to the SIA Group’s fill storage site, unaware that it was actually contaminated soil that Bromley had relocated from a former drycleaner’s business located in downtown Victoria.</p>	<p>Q4 2020: The applications of the plaintiffs (to add five additional defendants, being the two parent companies and the three directors of the corporate owner of the property in question) and QMLP (to add two additional third party defendants, being the two parent companies of the corporate owner of the property in question) were heard on Sept. 14-16, 2020 and Oct. 28-30, 2020. The judge has reserved judgement. We do not know when the judgement will be issued.</p> <p>The trial of this matter was scheduled to proceed for two weeks in September 2016. It was adjourned at the request of the plaintiffs on what was supposed to be the first day of the trial.</p>

**SCHEDULE 12.1(w)**  
**Material Contracts and Licences**

**Material Contracts**

- (a) The Fourth Amended and Restated Credit Agreement dated December 31, 2020 to which these schedules form a part thereof.
- (b) The Senior Secured Trust Indenture dated March 23, 2016, as supplemented by a first supplemental indenture dated August 11, 2016, a second supplemental indenture dated January 12, 2018, a third supplemental indenture dated November 30, 2018, a fourth supplemental indenture dated June 26, 2019, a fifth supplemental indenture dated June 2, 2020, and a sixth supplemental indenture dated December 31, 2020.
- (c) The letter of offer dated June 14, 2019 between Business Development Bank of Canada, ClearStream Holdings LP and ClearStream Energy Holdings Inc. with respect to two secured loans in an aggregate amount of \$19 million.
- (d) The letter of offer dated December 31, 2020 between Business Development Bank of Canada and ClearStream Real Estate LP with respect to a secured loan in the approximate amount of \$13.365 million (which replaces the loan referenced in (c) above).
- (e) The letter of offer dated December 31, 2020 between Business Development Bank of Canada and ClearStream Equipment LP with respect to a secured loan in the approximate amount of \$4.5 million (which replaces the loan referenced in (c) above).

**Material Licences**

None.

**Material Permits**

None.

**SCHEDULE 12.1(x)**  
**Existing Debt**

Contingent Obligations of Tuckamore Holdings LP pursuant to an Asset Purchase Agreement between 2459360 Ontario Ltd., Quantum Murray LP, Tuckamore Holdings LP and Thompson Metals and Disposal LP dated March 31, 2015 (the “**APA**”) relating to the guarantee of Tuckamore Holdings LP of the indemnity granted by Quantum Murray LP and Thompson Metals and Disposal LP to 2459360 Ontario Inc. for certain environmental, remediation and reclamation liabilities described in the APA. The amount of such indemnity is unlimited and the indemnity survives the closing of the APA transaction indefinitely.

**SCHEDULE 12.1(cc)**  
**Specified Permitted Collateral Locations**  
**and Permitted Collateral Locations containing Inventory in excess of \$400,000**

415, 311 – 6<sup>th</sup> Ave SW, Calgary, AB, T2P 3H2 (This is the location of the books and records of the Credit Parties. No inventory is located at these premises)

11 Liberty Road, Sherwood Park, AB, T8H 2V2

49 Willoughby Street, Lloydminster, AB T9V 0Y4

135 East Lake Boulevard, Airdrie, AB, T4A 2G1

**SCHEDULE 12.1(dd)**  
**Deposit Accounts**

[REDACTED – COMMERCIALY SENSITIVE INFORMATION]

**SCHEDULE 13.1(4)  
Insurance**

<b>Name</b>	<b>Insurer</b>	<b>Policy Number</b>	<b>Credit Parties Covered</b>	<b>Effective Date</b>
Automobile Liability & Physical Damage	QBE Insurance Services	AUTO11429	Credit Parties	31-Dec-20
Commercial General Liability	Chubb Insurance Company of Canada	36026256	Credit Parties	31-Jan-20
Package - Property	Chubb Insurance Company of Canada	36026256	Credit Parties	31-Jan-20
Package - Contractor Equipment Floater	Chubb Insurance Company of Canada	36026256	Credit Parties.	31-Jan-20
Professional & Contractors Pollution Liability	XL Specialty Insurance Company	CCP744644802	Credit Parties.	31-Jan-20
Primary Umbrella	XL Speciality Insurance Company	CA00009545LI2 0A	Credit Parties	31-Jan-20
1st Excess Umbrella	Cansure Underwriting	CS562432	Credit Parties	31-Jan-20
2nd Excess Umbrella	Stewart Specialty Risk Underwriting (SSRU) & Axis Canada	CTX/644331/01/2020	Credit Parties	31-Jan-20
Boiler & Machinery	Royal & Sun Alliance Insurance Company of Canada	EBI039204304	Credit Parties	31-Jan-20

<b>Name</b>	<b>Insurer</b>	<b>Policy Number</b>	<b>Credit Parties Covered</b>	<b>Effective Date</b>
Equipment Floater	Chubb Insurance Company of Canada	36058238	Credit Parties	31-Jan-20

**SCHEDULE 17.2**  
**Address for Notice**

If to any Credit Party:

ClearStream Energy Services Inc.  
Suite 415, 311 – 6<sup>th</sup> Avenue SW  
Calgary, Alberta T2P 3H2  
Attention: Randy Watt, Chief Financial Officer  
Facsimile: (587) 475-2181

*With copies to*

McCarthy Tetrault LLP  
Suite 4000, 421 – 7<sup>th</sup> Avenue SW  
Calgary, Alberta T2P 4K9  
Attention: Joe Palin  
Fax No.: (403) 260-3501

If to the Agent:

Bank of Montreal  
Corporate & Commercial Lending Operations Agency Services  
250 Yonge Street, 11<sup>th</sup> Floor  
Toronto, Ontario M5B 2L7  
Email: [BMOCCLO.AgencyToronto@bmo.com](mailto:BMOCCLO.AgencyToronto@bmo.com)  
Fax: (416) 598-6218

*With copies to:*

Dentons Canada LLP  
77 King Street West, Suite 400,  
Toronto-Dominion Centre  
Toronto, Ontario, Canada M5K 0A1  
Attention: Michael Henriques  
Fax: (416) 863 4592

If to the Revolving Lenders:

Bank of Montreal  
Canadian Commercial Banking  
6th Floor, First Bank Tower,  
595 Burrard Street, PO BOX 49500  
Vancouver, British Columbia V7X 1L7  
Attention: Kuljeet Manj  
Fax: (604) 687-3666

ATB Financial  
585 – 8th Ave SW, Eight Avenue Place, Suite 600  
Calgary, Alberta T2P 1G1  
Attention: Phillip Zhu  
Fax: (403) 663-3160

If to Canso or any Term Lender:

100 York Boulevard, Suite 550  
Richmond Hill, Ontario L4B 1J8  
Attention: Research Department  
Email: [research@cansofunds.com](mailto:research@cansofunds.com)  
Fax: (905) 881-1466

**SCHEDULE 18.3**  
**Excluded Subsidiaries**

**Part 1 – Before completion of 2020 Reorganization**

1831567 Alberta Ltd.

521855 Alberta Ltd.

Brospec 2001 GP Inc.

Brospec 2001 LP

ClearStream Energy Equipment Ltd.

Golosky Energy Services Ltd.

International Supply Services Ltd.

McConnell Holdings Limited

Nor-Tech Properties Inc.

Petrocare Transportation Ltd.

Quantum Murray Facilities LP

RGC Canada Ltd.

Thomson Metals and Disposal LP

Thomson Waste Transfer LP

Tuckamore Amalco Inc.

**Part 2 – After completion of 2020 Reorganization**

521855 Alberta Ltd.

Quantum Murray GP Inc.

Quantum Murray LP

**EXHIBIT “A”  
BORROWING BASE CERTIFICATE**

**Month ended** \_\_\_\_\_.

This Borrowing Base Certificate is furnished to Bank of Montreal (the “**Agent**”), pursuant to the fourth amended and restated credit agreement dated as of December 31, 2020 (as the same may be further amended, restated, renewed or replaced from time to time, the “**Amended and Restated Credit Agreement**”) entered into between CLEARSTREAM ENERGY HOLDINGS LP and CLEARSTREAM ENERGY SERVICES INC. (“**CESI**”), the banks and financial institutions from time to time party to the Amended and Restated Credit Agreement, as lenders, and the Agent, as agent. Capitalized terms used but not defined herein have the meaning assigned to such terms in the Amended and Restated Credit Agreement.

**THE UNDERSIGNED HEREBY CERTIFIES THAT:**

1. I am the duly elected \_\_\_\_\_ of the Borrower.
2. I have reviewed the terms of the Amended and Restated Credit Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of CESI and have made such inquiries of other officers and senior persons as are sufficient to enable me to make an informed statement herein.
3. Based on the foregoing and as of **[insert relevant date]**:
  - (a) the examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or the occurrence of any event which constitutes a Default or an Event of Default, except as set forth below.
  - (b) described below are the exceptions, if any, to paragraph (a) above by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the CESI has taken, is taking, or proposes to take with respect to each such condition or event:  
  
**[insert details]**
  - (c) the representations and warranties made under the Amended and Restated Credit Agreement are true and correct as at the date hereof, except to the extent that any such representation and warranty specifically relates to a different date, in which case such representation and warranty shall be true and correct as of such date.
  - (d) I am not aware of any financial or other information which leads me to believe that any of the covenants contained in the Amended and Restated Credit

Agreement will be breached during the next month, Fiscal Quarter or Fiscal Year of the Borrower.

4. The Borrowing Base is \$ \_\_\_\_\_, calculated in accordance with Appendix "A" attached hereto, and, for greater certainty, taking into account the appropriate sections of the Amended and Restated Credit Agreement including but not limited to the definitions of Eligible Receivables, Insured Receivables, Investment Grade Receivables, Unbilled Receivables, Reserves, Priority Payables and Eligible Inventory.

The foregoing certifications, together with the computations, amounts and financial information set forth in the attachments hereto and delivered with this Borrowing Base Certificate in support hereof, are made and delivered this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**[Remainder of page intentionally left blank.]**

**IN WITNESS HEREOF**, CESI has executed this Borrowing Base Certificate as of the date first written above.

**CLEARSTREAM ENERGY SERVICES INC.**

**Per:** \_\_\_\_\_

Name:

Title:

I/we have authority to bind the corporation

**APPENDIX “A” TO THE BORROWING BASE CERTIFICATE**

**EXHIBIT “B”**  
**COMPLIANCE CERTIFICATE**

This Compliance Certificate is furnished to Bank of Montreal (the “**Agent**”), pursuant to the fourth amended and restated credit agreement dated as of December 31, 2020 (as the same may be further amended, restated, renewed or replaced from time to time, the “**Amended and Restated Credit Agreement**”) entered into between CLEARSTREAM ENERGY HOLDINGS LP and CLEARSTREAM ENERGY SERVICES INC. (“**CESI**”), the banks and financial institutions from time to time party to the Amended and Restated Credit Agreement, as lenders, and the Agent, as agent. Capitalized terms used but not defined herein have the meaning assigned to such terms in the Amended and Restated Credit Agreement.

**THE UNDERSIGNED HEREBY CERTIFIES THAT:**

1. The undersigned is the duly appointed \_\_\_\_\_ of CESI.
2. The undersigned has reviewed the terms of the Amended and Restated Credit Agreement and has made, or has caused to be made under his / her supervision, a detailed review of the transactions and conditions of CESI and has made such inquiries of other officers and senior persons as are sufficient to enable him / her to make an informed statement herein.
3. The examinations described in paragraph 2 did not disclose, and the undersigned does not have any knowledge of, the existence of any condition or the occurrence of any event which constitutes a Default or an Event of Default, except as set forth below.
4. Described below are the exceptions, if any, to paragraph 3 by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which CESI has taken, is taking, or proposes to take with respect to each such condition or event:

[insert details]

5. The representations and warranties made under the Amended and Restated Credit Agreement are true and correct as at the date hereof, except to the extent that any such representation or warranty specifically relates to a different date, in which case such representation and warranty shall be true and correct as of such date.
6. The financial statements required by Section 13.1(5) of the Amended and Restated Credit Agreement and being furnished to you concurrently with this certificate are complete and present fairly the financial position of the Credit Parties, as of the dates and for the periods covered thereby.

7. EBITDA for CESI (on a consolidated basis) is \_\_\_\_\_ for the period commencing on \_\_\_\_\_ [insert first day of the relevant period] and ending on \_\_\_\_\_ [insert last day of relevant month].
8. The Fixed Charge Coverage Ratio of CESI (on a consolidated basis) is \_\_\_\_\_ for the Twelve Month Period ended on \_\_\_\_\_ [insert last day of relevant Fiscal Quarter].
9. The Fixed Charge Coverage Ratio of CESI (on a consolidated basis) is \_\_\_\_\_ for the Twelve Month Period ended on \_\_\_\_\_ [insert last day of the relevant month].
10. The Credit Parties (on a consolidated basis) have not expended or become obligated for any Capital Expenditures in an aggregate amount exceeding \$6,600,000 during the current Fiscal Year.
11. The Credit Parties (on a consolidated basis) have not expended or become obligated for any Unfunded Capital Expenditure in an aggregate amount exceeding \$2,100,000 during the current Fiscal Year.
12. The attachments hereto set forth financial data and computations evidencing the calculations set out above, all of which data and computations are true, complete and correct, and have been made in accordance with the relevant Sections of the Amended and Restated Credit Agreement.

The foregoing certifications, together with the computations set forth in the attachments hereto and the financial statements delivered with this Compliance Certificate in support hereof, are made and delivered this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**[Remainder of page intentionally left blank.]**

**IN WITNESS HEREOF**, CESI has executed this Compliance Certificate as of the date first written above.

**CLEARSTREAM ENERGY SERVICES INC.**

**Per:** \_\_\_\_\_

Name:

Title:

I/we have authority to bind the corporation

**APPENDIX A TO THE COMPLIANCE CERTIFICATE  
FINANCIAL DATA AND COMPUTATIONS**

**EXHIBIT "C"**  
**FORM OF CASH FLOW STATEMENTS**

See attached.

[REDACTED - COMMERCIALY SENSITIVE INFORMATION]

**EXHIBIT “D”  
DRAWDOWN NOTICE**

**TO: Bank of Montreal**

**DATE:** \_\_\_\_\_, 20\_\_

This Drawdown Notice is furnished to Bank of Montreal (the “**Agent**”), pursuant to the fourth amended and restated credit agreement dated as of December 31, 2020 (as the same may be further amended, restated, renewed or replaced from time to time, the “**Amended and Restated Credit Agreement**”) entered into between CLEARSTREAM ENERGY HOLDINGS LP and CLEARSTREAM ENERGY SERVICES INC. (“**CESI**”), the banks and financial institutions from time to time party to the Amended and Restated Credit Agreement, as lenders, and the Agent, as agent. Capitalized terms used but not defined herein have the meaning assigned to such terms in the Amended and Restated Credit Agreement.

This Drawdown Notice is irrevocable and represents CESI’s request to borrow, and the following information is provided pursuant to Section 2.5 of the Amended and Restated Credit Agreement.

1. Drawdown Date: \_\_\_\_\_, 20\_\_
2. Facility \_\_\_\_\_
3. Amount of requested Advance: \$ \_\_\_\_\_
4. Type of Advance: \_\_\_\_\_
5. Contract Period (if applicable): \_\_\_\_\_
6. Additional information: \_\_\_\_\_

CESI, and the undersigned officer, to the best of his/her knowledge in his / her capacity as an officer of CESI, each certify that:

- a) the conditions contained in Sections [11.1(1), 11.2 and/or 11.3] of the Amended and Restated Credit Agreement have been satisfied, as applicable;
- b) no Default or Event of Default has occurred and is continuing as at the date hereof or would arise immediately after giving effect to or as a result of such Advance; and

- c) the representations and warranties made under the Amended and Restated Credit Agreement are true and correct as at the date hereof, except to the extent that any such representation or warranty specifically relates to a different date, in which case such representation and warranty shall be true and correct as of such date.

**[Remainder of page intentionally left blank.]**

IN WITNESS WHEREOF, this Drawdown Notice has been duly executed and delivered by a duly authorized officer of the undersigned as of the date first above written.

**CLEARSTREAM ENERGY SERVICES INC.**

**Per:** \_\_\_\_\_

Name:

Title:

I/we have authority to bind the corporation

**EXHIBIT “E”**  
**NOTICE OF CONVERSION AND ROLLOVER**

**To: Bank of Montreal**

**DATE:** \_\_\_\_\_, 20\_\_\_\_

This Notice is furnished to Bank of Montreal (the “**Agent**”), pursuant to the fourth amended and restated credit agreement dated as of December 31, 2020 (as the same may be further amended, restated, renewed or replaced from time to time, the “**Amended and Restated Credit Agreement**”) entered into between CLEARSTREAM ENERGY HOLDINGS LP and CLEARSTREAM ENERGY SERVICES INC. (“**CESI**”), the banks and financial institutions from time to time party to the Amended and Restated Credit Agreement, as lenders, and the Agent, as agent. Capitalized terms used but not defined herein have the meaning assigned to such terms in the Amended and Restated Credit Agreement. CESI hereby notifies you, pursuant to [Section 2.10/4.1/4.2/5.1(5)] of the Amended and Restated Credit Agreement, of the following:

1. **Type of Advance (or portions thereof) to which notice applies** \_\_\_\_\_
2. **Date of Conversion or Rollover** \_\_\_\_\_
3. **New Type of Advance** [if Advance is to be converted] \_\_\_\_\_
4. **Next succeeding Contract Period and duration thereof** \_\_\_\_\_

CESI, and the undersigned officer to the best of his/her knowledge in his/her capacity as an officer of CESI, each certify that:

- a) the conditions contained in Section [11.1] of the Amended and Restated Credit Agreement have been satisfied, as applicable;
- b) no Default or Event of Default has occurred and is continuing as at the date hereof or would arise immediately after giving effect to or as a result of such **[Conversion/Rollover]**; and
- c) the representations and warranties made under the Amended and Restated Credit Agreement are true and correct as at the date hereof, except to the extent that any such representation or warranty specifically relates to a different date, in which case such representation and warranty shall be true and correct as of such date.

**[Remainder of page intentionally left blank.]**

IN WITNESS WHEREOF, this Notice has been duly executed and delivered by a duly authorized officer of the undersigned as of the date first above written.

**CLEARSTREAM ENERGY SERVICES INC.**

**Per:** \_\_\_\_\_

Name:

Title:

I/we have authority to bind the corporation

**EXHIBIT "I"**  
**CBA MODEL PROVISIONS**

See attached.

## MODEL CREDIT AGREEMENT PROVISIONS

### 1. Definitions

“Administrative Questionnaire” means an Administrative Questionnaire in a form supplied by the Administrative Agent.

“Affiliate” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agreement” means the credit agreement of which these Provisions form part.

“Applicable Law” means (a) any domestic or foreign statute, law (including common and civil law), treaty, code, ordinance, rule, regulation, restriction or by-law (zoning or otherwise); (b) any judgement, order, writ, injunction, decision, ruling, decree or award; (c) any regulatory policy, practice, guideline or directive; or (d) any franchise, licence, qualification, authorization, consent, exemption, waiver, right, permit or other approval of any Governmental Authority, binding on or affecting the Person referred to in the context in which the term is used or binding on or affecting the property of such Person, in each case whether or not having the force of law.

“Applicable Percentage” means with respect to any Lender, the percentage of the total Commitments represented by such Lender’s Commitment. If the Commitments have terminated or expired, the Applicable Percentages shall be the percentage of the total outstanding Loans and participations in respect of Letters of Credit represented by such Lender’s outstanding Loans and participations in respect of Letters of Credit.

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee and accepted by the Administrative Agent, in substantially the form of Exhibit A or any other form approved by the Administrative Agent.

“Change in Law” means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any Applicable Law, (b) any change in any Applicable Law or in the administration, interpretation or application thereof by any Governmental Authority or (c) the making or issuance of any Applicable Law by any Governmental Authority.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have corresponding meanings.

“Default” means any event or condition that constitutes an Event of Default or that would constitute an Event of Default except for satisfaction of any condition subsequent required to make the event or condition an Event of Default, including giving of any notice, passage of time, or both.

“Eligible Assignee” means any Person (other than a natural person, any Obligor or any Affiliate of an Obligor), in respect of which any consent that is required by Section 10(b) has been obtained.

“Excluded Taxes” means, with respect to the Administrative Agent, any Lender, the Issuing Bank or any other recipient of any payment to be made by or on account of any obligation of an Obligor hereunder, (a) taxes imposed on or measured by its net income, and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the laws of

which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located, (b) any branch profits taxes or any similar tax imposed by any jurisdiction in which the Lender is located and (c) in the case of a Foreign Lender (other than (i) an assignee pursuant to a request by the Borrower under Section 3.3(b), (ii) an assignee pursuant to an Assignment and Assumption made when an Event of Default has occurred and is continuing or (iii) any other assignee to the extent that the Borrower has expressly agreed that any withholding tax shall be an Indemnified Tax), any withholding tax that (A) is not imposed or assessed in respect of a Loan that was made on the premise that an exemption from such withholding tax would be available where the exemption is subsequently determined, or alleged by a taxing authority, not to be available and (B) is required by Applicable Law to be withheld or paid in respect of any amount payable hereunder or under any Loan Document to such Foreign Lender at the time such Foreign Lender becomes a party hereto (or designates a new lending office) or is attributable to such Foreign Lender's failure or inability (other than as a result of a Change in Law) to comply with Section 3.2(e), except to the extent that such Foreign Lender (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive additional amounts from an Obligor with respect to such withholding tax pursuant to Section 3.2(a). For greater certainty, for purposes of item (c) above, a withholding tax includes any Tax that a Foreign Lender is required to pay pursuant to Part XIII of the Income Tax Act (Canada) or any successor provision thereto.

"Foreign Lender" means any Lender that is not organized under the laws of the jurisdiction in which the Borrower is resident for tax purposes and that is not otherwise considered or deemed in respect of any amount payable to it hereunder or under any Loan Document to be resident for income tax or withholding tax purposes in the jurisdiction in which the Borrower is resident for tax purposes by application of the laws of that jurisdiction. For purposes of this definition Canada and each Province and Territory thereof shall be deemed to constitute a single jurisdiction and the United States of America, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

"Fund" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"Governmental Authority" means the government of Canada or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, including any supra-national bodies such as the European Union or the European Central Bank and including a Minister of the Crown, Superintendent of Financial Institutions or other comparable authority or agency.

"Indemnified Taxes" means Taxes other than Excluded Taxes.

"Issuing Bank" means the Person named elsewhere in this Agreement as the issuer of Letters of Credit on the basis that it is "fronting" for other Lenders and not on the basis that it is the attorney of other Lenders to sign Letters of Credit on their behalf, or any successor issuer of Letters of Credit. For greater certainty, where the context requires, references to "Lenders" in these Provisions include the Issuing Bank.

"Loan" means any extension of credit by a Lender under this Agreement, including by way of bankers' acceptance or LIBO Rate Loan, except for any Letter of Credit or participation in a Letter of Credit.

"Obligors" means, collectively, the Borrower and each of the guarantors of the Borrower's obligations that are identified elsewhere in this Agreement.

"Other Taxes" means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under

any other Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document.

"Participant" has the meaning assigned to such term in Section 10(d) .

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Provisions" means these model credit agreement provisions.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

## 2. Terms Generally

(1) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein (including this Agreement) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented, restated or otherwise modified (subject to any restrictions on such amendments, supplements, restatements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and permitted assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) unless otherwise expressly stated, all references in these Provisions to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, these Provisions, but all such references elsewhere in this Agreement shall be construed to refer to this Agreement apart from these Provisions, (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time and (f) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(2) If there is any conflict or inconsistency between these Provisions and the other terms of this Agreement, the other terms of this Agreement shall govern to the extent necessary to resolve the conflict or inconsistency.

## 3. Yield Protection

### 3.1 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender;

(ii) subject any Lender to any Tax of any kind whatsoever with respect to this Agreement, any Letter of Credit, any participation in a Letter of Credit or any Loan made by it, or change the basis of taxation of payments to such Lender in respect thereof,

except for Indemnified Taxes or Other Taxes covered by Section 3.2 and the imposition, or any change in the rate, of any Excluded Tax payable by such Lender; or

(iii) impose on any Lender or any applicable interbank market any other condition, cost or expense affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or the Issuing Bank of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or the Issuing Bank hereunder (whether of principal, interest or any other amount), then upon request of such Lender the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender determines that any Change in Law affecting such Lender or any lending office of such Lender or such Lender's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or the Letters of Credit issued or participated in by such Lender, to a level below that which such Lender or its holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of its holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or its holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section, including reasonable detail of the basis of calculation of the amount or amounts, and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation, except that the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefore, unless the Change in Law giving rise to such increased costs or reductions is retroactive, in which case the nine-month period referred to above shall be extended to include the period of retroactive effect thereof.

### 3.2 Taxes.

(a) Payments Subject to Taxes. If any Obligor, the Administrative Agent, or any Lender is required by Applicable Law to deduct or pay any Indemnified Taxes (including any Other Taxes) in respect of any payment by or on account of any obligation of an Obligor hereunder or under any other Loan Document, then (i) the sum payable shall be increased by that Obligor when payable as necessary so that after making or allowing for all required deductions and payments (including deductions and payments applicable to additional sums payable under this Section) the Administrative Agent or Lender, as the case may be, receives an amount equal to the sum it would have received had no such deductions or payments been required, (ii) the Obligor shall make any such deductions required to be made by it under Applicable Law and (iii) the Obligor shall timely pay the full amount required to be deducted to the relevant Governmental Authority in accordance with Applicable Law.

(b) Payment of Other Taxes by the Borrower. Without limiting the provisions of paragraph (a) above, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with Applicable Law.

(c) Indemnification by the Borrower. The Borrower shall indemnify the Administrative Agent and each Lender, within 10 days after demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by the Administrative Agent or such Lender and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) Evidence of Payments. As soon as practicable after any payment of Indemnified Taxes or Other Taxes by an Obligor to a Governmental Authority, the Obligor shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Status of Lenders. Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which the Borrower is resident for tax purposes, or any treaty to which such jurisdiction is a party, with respect to payments hereunder or under any other Loan Document shall, at the request of the Borrower, deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by Applicable Law or reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by Applicable Law as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, (a) any Lender, if requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to withholding or information reporting requirements, and (b) any Lender that ceases to be, or to be deemed to be, resident in Canada for purposes of Part XIII of the Income Tax Act (Canada) or any successor provision thereto shall within five days thereof notify the Borrower and the Administrative Agent in writing.

(f) Treatment of Certain Refunds and Tax Reductions. If the Administrative Agent or a Lender determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which an Obligor has paid additional amounts pursuant to this Section or that, because of the payment of such Taxes or Other Taxes, it has benefited from a reduction in Excluded Taxes otherwise payable by it, it shall pay to the Borrower or Obligor, as applicable, an amount equal to such refund or reduction (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower or Obligor under this Section with respect to the Taxes or Other Taxes giving rise to such refund or reduction), net of all out-of-pocket expenses of the Administrative Agent or such Lender, as the case may be, and without interest (other than any net after-Tax interest paid by the relevant Governmental Authority with respect to such refund). The Borrower or Obligor as applicable, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to the Borrower or Obligor (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender if the Administrative Agent or such Lender is required to repay such refund or reduction to such Governmental Authority. This paragraph shall not be construed to require the Administrative Agent or any Lender to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Borrower or any other Person, to arrange its affairs in any particular manner or to claim any available refund or reduction.

### 3.3 Mitigation Obligations: Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.1, or requires the Borrower to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.2, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.1 or 3.2, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.1, if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.2, if any Lender's obligations are suspended pursuant to Section 3.4 or if any Lender defaults in its obligation to fund Loans hereunder, then the Borrower may, at its sole expense and effort, upon 10 days' notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 10), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(i) the Borrower pays the Administrative Agent the assignment fee specified in Section 10(b)(vi);

(ii) the assigning Lender receives payment of an amount equal to the outstanding principal of its Loans and participations in disbursements under Letters of Credit, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any breakage costs and amounts required to be paid under this Agreement as a result of prepayment to a Lender) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 3.1 or payments required to be made pursuant to Section 3.2, such assignment will result in a reduction in such compensation or payments thereafter; and

(iv) such assignment does not conflict with Applicable Law.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

### 3.4 Illegality.

If any Lender determines that any Applicable Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make or maintain any Loan (or to maintain its obligation to make any Loan), or to participate in, issue or maintain any Letter of Credit (or to maintain its obligation to participate in or to issue any Letter of Credit), or to determine or charge interest rates based upon any particular rate, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, any obligation of such Lender with respect to the activity that is unlawful shall be suspended until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if conversion would avoid the activity that is unlawful, convert any Loans, or take any necessary steps with respect to any Letter of Credit in order to avoid the activity that is unlawful. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so

prepaid or converted. Each Lender agrees to designate a different Lending Office if such designation will avoid the need for such notice and will not, in the good faith judgment of such Lender, otherwise be materially disadvantageous to such Lender.

### 3.5 Inability to Determine Rates Etc.

If the Required Lenders determine that for any reason a market for bankers' acceptances does not exist at any time or the Lenders cannot for other reasons, after reasonable efforts, readily sell bankers' acceptances or perform their other obligations under this Agreement with respect to bankers' acceptances, the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, the Borrower's right to request the acceptance of bankers' acceptances shall be and remain suspended until the Required Lenders determine and the Agent notifies the Borrower and each Lender that the condition causing such determination no longer exists. If the Required Lenders determine that for any reason adequate and reasonable means do not exist for determining the LIBO Rate for any requested Interest Period with respect to a proposed LIBO Rate Loan, or that the LIBO Rate for any requested Interest Period with respect to a proposed LIBO Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, the obligation of the Lenders to make or maintain LIBO Rate Loans shall be suspended until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Borrower may revoke any pending request for a borrowing, conversion or continuation of LIBO Rate Loans or, failing that, will be deemed to have converted such request into a request for a borrowing of Base Rate Loans in the amount specified therein.

### 4. Right of Setoff.

If an Event of Default has occurred and is continuing, each of the Lenders and each of their respective Affiliates is hereby authorized at any time and from time to time to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender or any such Affiliate to or for the credit or the account of any Obligor against any and all of the obligations of the Borrower now or hereafter existing under this Agreement or any other Loan Document to such Lender, irrespective of whether or not such Lender has made any demand under this Agreement or any other Loan Document and although such obligations of the Obligor may be contingent or unmatured or are owed to a branch or office of such Lender different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each the Lenders and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff, consolidation of accounts and bankers' lien) that the Lenders or their respective Affiliates may have. Each Lender agrees to promptly notify the Borrower and the Administrative Agent after any such setoff and application, but the failure to give such notice shall not affect the validity of such setoff and application. If any Affiliate of a Lender exercises any rights under this Section 4, it shall share the benefit received in accordance with Section 5 as if the benefit had been received by the Lender of which it is an Affiliate.

### 5. Sharing of Payments by Lenders.

If any Lender, by exercising any right of setoff or counterclaim or otherwise, obtains any payment or other reduction that might result in such Lender receiving payment or other reduction of a proportion of the aggregate amount of its Loans and accrued interest thereon or other obligations hereunder greater than its pro rata share thereof as provided herein, then the Lender receiving such payment or other reduction shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders rateably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them, provided that

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest,

(ii) the provisions of this Section shall not be construed to apply to (x) any payment made by any Obligor pursuant to and in accordance with the express terms of this Agreement or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in disbursements under Letters of Credit to any assignee or participant, other than to any Obligor or any Affiliate of an Obligor (as to which the provisions of this Section shall apply); and

(iii) the provisions of this Section shall not be construed to apply to (w) any payment made while no Event of Default has occurred and is continuing in respect of obligations of the Borrower to such Lender that do not arise under or in connection with the Loan Documents, (x) any payment made in respect of an obligation that is secured by a Permitted Lien or that is otherwise entitled to priority over the Borrower's obligations under or in connection with the Loan Documents, (y) any reduction arising from an amount owing to an Obligor upon the termination of derivatives entered into between the Obligor and such Lender, or (z) any payment to which such Lender is entitled as a result of any form of credit protection obtained by such Lender.

The Obligors consent to the foregoing and agree, to the extent they may effectively do so under Applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against each Obligor rights of setoff and counterclaim and similar rights of Lenders with respect to such participation as fully as if such Lender were a direct creditor of each Obligor in the amount of such participation.

## 6. Administrative Agent's Clawback

(a) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any advance of funds that such Lender will not make available to the Administrative Agent such Lender's share of such advance, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with the provisions of this Agreement concerning funding by Lenders and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable advance available to the Administrative Agent, then the applicable Lender shall pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at a rate determined by the Administrative Agent in accordance with prevailing banking industry practice on interbank compensation. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such advance. If the Lender does not do so forthwith, the Borrower shall pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon at the interest rate applicable to the advance in question. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that has failed to make such payment to the Administrative Agent.

(b) Payments by Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of any Lender hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute the amount due to the Lenders. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is

distributed to it to but excluding the date of payment to the Administrative Agent, at a rate determined by the Administrative Agent in accordance with prevailing banking industry practice on interbank compensation.

## 7. Agency.

7.1 Appointment and Authority. Each of the Lenders and the Issuing Bank hereby irrevocably appoints the Person identified elsewhere in this Agreement as the Administrative Agent to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the Issuing Bank, and no Obligor shall have rights as a third party beneficiary of any of such provisions.

7.2 Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Obligor or any Affiliate thereof as if such Person were not the Administrative Agent and without any duty to account to the Lenders.

## 7.3 Exculpatory Provisions.

(1) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for in the Loan Documents), but the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or Applicable Law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the person serving as the Administrative Agent or any of its Affiliates in any capacity.

(2) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as is necessary, or as the Administrative Agent believes in good faith is necessary, under the provisions of the Loan Documents) or (ii) in the absence of its own gross negligence or wilful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing the Default is given to the Administrative Agent by the Borrower or a Lender.

(3) Except as otherwise expressly specified in this Agreement, the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any

certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition specified in this Agreement, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

7.4 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the Issuing Bank, the Administrative Agent may presume that such condition is satisfactory to such Lender or the Issuing Bank unless the Administrative Agent shall have received notice to the contrary from such Lender or the Issuing Bank prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

7.5 Indemnification of Administrative Agent. Each Lender agrees to indemnify the Administrative Agent and hold it harmless (to the extent not reimbursed by the Borrower), rateably according to its Applicable Percentage (and not jointly or jointly and severally) from and against any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel, which may be incurred by or asserted against the Administrative Agent in any way relating to or arising out of the Loan Documents or the transactions therein contemplated. However, no Lender shall be liable for any portion of such losses, claims, damages, liabilities and related expenses resulting from the Administrative Agent's gross negligence or wilful misconduct.

7.6 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent from among the Lenders (including the Person serving as Administrative Agent) and their respective Affiliates. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The provisions of this Article and other provisions of this Agreement for the benefit of the Administrative Agent shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

7.7 Replacement of Administrative Agent.

(1) The Administrative Agent may at any time give notice of its resignation to the Lenders, the Issuing Bank and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be a Lender having a Commitment to a revolving credit if one or more is established in this Agreement and having an office in Toronto, Ontario or Montréal, Québec, or an Affiliate of any such Lender with an office in Toronto or Montréal. The Administrative Agent may also be removed at any time by the Required Lenders upon 30 days' notice to the Administrative Agent and the Borrower as long as the Required Lenders, in consultation with the Borrower, appoint and obtain the acceptance of a successor within such 30 days, which shall be a Lender having a Commitment to a revolving credit if one or more is established in this Agreement and having an office in Toronto or Montréal, or an Affiliate of any such Lender with an office in Toronto or Montréal.

(2) If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications specified in Section 7.7(1), provided that if the Administrative Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time as the Required Lenders appoint a successor Administrative Agent as provided for above in the preceding paragraph.

(3) Upon a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the former Administrative Agent, and the former Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided in the preceding paragraph). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the termination of the service of the former Administrative Agent, the provisions of this Section 7 and of Section 9 shall continue in effect for the benefit of such former Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the former Administrative Agent was acting as Administrative Agent.

7.8 Non-Reliance on Administrative Agent and Other Lenders. Each Lender and the Issuing Bank acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and the Issuing Bank also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

7.9 Collective Action of the Lenders. Each of the Lenders hereby acknowledges that to the extent permitted by Applicable Law, any collateral security and the remedies provided under the Loan Documents to the Lenders are for the benefit of the Lenders collectively and acting together and not severally and further acknowledges that its rights hereunder and under any collateral security are to be exercised not severally, but by the Administrative Agent upon the decision of the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for in the Loan Documents). Accordingly, notwithstanding any of the provisions contained herein or in any collateral security, each of the Lenders hereby covenants and agrees that it shall not be entitled to take any action hereunder or thereunder including, without limitation, any declaration of default hereunder or thereunder but that any such action shall be taken only by the Administrative Agent with the prior written agreement of the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for in the Loan Documents). Each of the Lenders hereby further covenants and agrees that upon any such written agreement being given, it shall co-operate fully with the Administrative Agent to the extent requested by the Administrative Agent. Notwithstanding the foregoing, in the absence of instructions from the Lenders and where in the sole opinion of the Administrative Agent, acting reasonably and in good faith, the exigencies of the situation warrant such action, the Administrative Agent may without notice to or consent of the Lenders take such action on behalf of the Lenders as it deems appropriate or desirable in the interest of the Lenders.

7.10 No Other Duties, etc. Anything herein to the contrary notwithstanding, none of the Bookrunners, Arrangers or holders of similar titles, if any, specified in this Agreement shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent or a Lender hereunder.

#### 8. Notices: Effectiveness; Electronic Communication

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as-provided in paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier to the addresses or telecopier numbers specified elsewhere in this Agreement or, if to a Lender, to it at its address or telecopier number specified in the Register or, if to an Obligor other than the Borrower, in care of the Borrower.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent (except that, if not given on a business day between 9:00 a.m. and 5:00 p.m. local time where the recipient is located, shall be deemed to have been given at 9:00 a.m. on the next business day for the recipient). Notices delivered through electronic communications to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) Electronic Communications. Notices and other communications to the Lenders and the Issuing Bank hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender of Loans to be made or Letters of Credit to be issued if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) Change of Address. Etc. Any party hereto may change its address or telecopier number for notices and other communications hereunder by notice to the other parties hereto.

#### 9. Expenses; Indemnity; Damage Waiver

(a) Costs and Expenses. The Borrower shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by the Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all reasonable out-of-pocket expenses incurred by the Administrative Agent, any

Lender or the Issuing Bank, including the reasonable fees, charges and disbursements of counsel, in connection with the enforcement or protection of its rights in connection with this Agreement and the other Loan Documents, including its rights under this Section, or in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) Indemnification by the Borrower. The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender and the Issuing Bank, and each Related Party of any of the foregoing Persons (each such Person being called an “Indemnitee”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel for any Indemnitee, incurred by any Indemnitee or asserted against any Indemnitee by any third party or by any Obligor arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance or non-performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation or non-consummation of the transactions contemplated hereby or thereby, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by the Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or Release of Hazardous Materials on or from any property owned or operated by any Obligor, or any Environmental Liability related in any way to any Obligor, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by an Obligor and regardless of whether any Indemnitee is a party thereto, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or wilful misconduct of such Indemnitee or (y) result from a claim brought by the Borrower or any other Obligor against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if the Obligor has obtained a final and nonappealable judgment in its favour on such claim as determined by a court of competent jurisdiction, nor shall it be available in respect of matters specifically addressed in Sections 3.1, 3.2 and 9(a).

(c) Reimbursement by Lenders. To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under paragraph (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof), the Issuing Bank or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), the Issuing Bank or such Related Party, as the case may be, such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) or the Issuing Bank in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) or Issuing Bank in connection with such capacity. The obligations of the Lenders under this paragraph (c) are subject to the other provisions of this Agreement concerning several liability of the Lenders.

(d) Waiver of Consequential Damages. Etc. To the fullest extent permitted by Applicable Law, the Obligors shall not assert, and hereby waive, any claim against any Indemnitee, on any theory of liability, for indirect, consequential, punitive, aggravated or exemplary damages (as opposed to direct damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby (or any breach thereof), the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(e) Payments. All amounts due under this Section shall be payable promptly after demand therefor. A certificate of the Administrative Agent or a Lender setting forth the amount or amounts owing to the Administrative Agent, Lender or a sub-agent or Related Party, as the case may be, as specified in this Section, including reasonable detail of the basis of calculation of the amount or amounts, and delivered to the Borrower shall be conclusive absent manifest error.

#### 10. Successors and Assigns

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Obligor may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of paragraph (b) of this Section, (ii) by way of participation in accordance with the provisions of paragraph (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of paragraph (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in paragraph (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); provided that:

(i) except if an Event of Default has occurred and is continuing or in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund with respect to a Lender, the aggregate amount of the Commitment being assigned (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loan of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$5,000,000, in the case of any assignment in respect of a revolving facility, or \$1,000,000, in the case of any assignment in respect of a term facility, unless each of the Administrative Agent and, so long as no Default has occurred and is continuing, the Borrower otherwise consent to a lower amount (each such consent not to be unreasonably withheld or delayed);

(ii) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loan or the Commitment assigned, except that this clause (ii) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate credits on a non-*pro rata* basis;

(iii) any assignment of a Commitment relating to a credit under which Letters of Credit may be issued must be approved by any Issuing Bank (such approval not to be unreasonably withheld or delayed) unless the Person that is the proposed assignee is itself already a Lender with a Commitment under that credit;

(iv) any assignment must be approved by the Administrative Agent (such approval not to be unreasonably withheld or delayed) unless:

(x) in the case of an assignment of a Commitment relating to a revolving credit, the proposed assignee is itself already a Lender with the same type of Commitment,

(y) no Event of Default has occurred and is continuing, and the assignment is of a Commitment relating to a non-revolving credit that is fully advanced, or

(z) the proposed assignee is a bank whose senior, unsecured, non-credit enhanced, long term debt is rated at least A3, A- or A low by at least two of Moody's Investor Services Inc., Standard & Poor's, a division of The McGraw-Hill Companies, Inc. and Dominion Bond Rating Service Limited, respectively;

(v) any assignment must be approved by the Borrower (such approval not to be unreasonably withheld or delayed) unless the proposed assignee is itself already a Lender with the same type of Commitment or a Default has occurred and is continuing; and

(vi) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in an amount specified elsewhere in this Agreement and the Eligible Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to paragraph (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement and the other Loan Documents, including any collateral security, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3 and 9, and shall continue to be liable for any breach of this Agreement by such Lender, with respect to facts and circumstances occurring prior to the effective date of such assignment. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (d) of this Section. Any payment by an assignee to an assigning Lender in connection with an assignment or transfer shall not be or be deemed to be a repayment by the Borrower or a new Loan to the Borrower.

(c) Register. The Administrative Agent shall maintain at one of its offices in Toronto, Ontario or Montréal, Québec a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural person, an Obligor or any Affiliate of an Obligor) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such

obligations and (iii) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any payment by a Participant to a Lender in connection with a sale of a participation shall not be or be deemed to be a repayment by the Borrower or a new Loan to the Borrower.

Subject to paragraph (e) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Section 3 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 4 as though it were a Lender, provided such Participant agrees to be subject to Section 5 as though it were a Lender.

(e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Section 3.1 and 3.2 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 3.2 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 3.2(e) as though it were a Lender.

(f) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, but no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

#### 11. Governing Law: Jurisdiction: Etc.

(a) Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Province specified elsewhere in this Agreement and the laws of Canada applicable in that Province.

(b) Submission to Jurisdiction. Each Obligor irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the courts of the Province specified elsewhere in this Agreement, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Loan Document shall affect any right that the Administrative Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against any Obligor or its properties in the courts of any jurisdiction.

(c) Waiver of Venue. Each Obligor irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

#### 12. WAIVER OF JURY TRIAL

EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

### 13. Counterparts: Integration: Effectiveness: Electronic Execution

(a) Counterparts: Integration: Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in the conditions precedent Section(s) of this Agreement, this Agreement shall become effective when it has been executed by the Administrative Agent and when the Administrative Agent has received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or by sending a scanned copy by electronic mail shall be effective as delivery of a manually executed counterpart of this Agreement.

(b) Electronic Execution of Assignments. The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Commerce Act, 2000 (Ontario) and other similar federal or provincial laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or its Uniform Electronic Evidence Act, as the case may be.

### 14. Treatment of Certain Information: Confidentiality

(1) Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to it, its Affiliates and its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority), (c) to the extent required by Applicable Laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap, derivative, credit-linked note or similar transaction relating to the Borrower and its obligations, (g) with the consent of the Borrower or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent or any Lender on a non-confidential basis from a source other than an Obligor.

(2) For purposes of this Section, "Information" means all information received in connection with this Agreement from any Obligor relating to any Obligor or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a non-confidential basis prior to such receipt. Any Person required to maintain the confidentiality of

Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. In addition, the Administrative Agent may disclose to any agency or organization that assigns standard identification numbers to loan facilities such basic information describing the facilities provided hereunder as is necessary to assign unique identifiers (and, if requested, supply a copy of this Agreement), it being understood that the Person to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to make available to the public only such Information as such person normally makes available in the course of its business of assigning identification numbers

(3) In addition, and notwithstanding anything herein to the contrary, the Administrative Agent may provide the information described on Exhibit B concerning the Borrower and the credit facilities established herein to Loan Pricing Corporation and/or other recognized trade publishers of information for general circulation in the loan market.

## ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the "Assignor") and [*Insert name of Assignee*] (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including without limitation any letters of credit, guarantees, and swingline loans included in such facilities) and (ii) to the extent permitted to be assigned under Applicable Law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan-transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as, the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: \_\_\_\_\_
2. Assignee: \_\_\_\_\_  
[and is an Affiliate/Approved Fund of [*identify Lender*]]
3. Borrower(s): \_\_\_\_\_
4. Administrative Agent: \_\_\_\_\_, as the administrative agent under the Credit Agreement
5. Credit Agreement: [The [*amount*] Credit Agreement dated as of \_\_\_\_\_ among [*name of Borrower(s)*], the Lenders parties thereto, [*name of Administrative Agent*], as Administrative Agent, and the other agents parties thereto]

6. Assigned Interest:

Facility Assigned	Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/Loans Assigned <small>Error! Bookmark not defined.</small>	Percentage Assigned of Commitment/Loans	CUSIP Number
	\$	\$	%	
	\$	\$	%	
	\$	\$	%	

[7. Trade Date: \_\_\_\_\_]

Effective Date: \_\_\_\_\_, 20\_\_ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR  
[NAME OF ASSIGNOR]

By: \_\_\_\_\_  
Title:

ASSIGNEE  
[NAME OF ASSIGNEE]

By: \_\_\_\_\_  
Title:

[Consented to and] Accepted:

[NAME OF ADMINISTRATIVE AGENT], as  
Administrative Agent

By \_\_\_\_\_  
Title:

[Consented to:]

[NAME OF RELEVANT PARTY]

By \_\_\_\_\_  
Title:



STANDARD TERMS AND CONDITIONS FOR  
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all requirements of an Eligible Assignee under the Credit Agreement (subject to receipt of such consents as may be required under the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section \_\_\_ thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (v) if it is a Foreign Lender, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignee whether such amounts have accrued prior to, on or after the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Administrative Agent for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy or by sending a scanned copy by electronic mail shall be effective as delivery of a manually

executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law governing the Credit Agreement.

## LOAN MARKET DATA TEMPLATE

### Recommended Data Fields – At Close

The items highlighted in bold are those that Loan Pricing Corporation (LPC) deem essential. The remaining items are those that LPC has seen become more prominent over time as transparency has increased in the U.S. Loan Market.

<u>Company Level</u>	<u>Deal Specific</u>	<u>Facility Specific</u>
<b>Issuer Name</b>	<b>Currency/Amount</b>	<b>Currency/Amount</b>
<b>Location</b>	<b>Date</b>	<b>Type</b>
<b>SIC (Cdn)</b>	<b>Purpose</b>	<b>Purpose</b>
Identification Number(s)	<b>Sponsor</b>	<b>Tenor</b>
<b>Revenue</b>	<b>Financial Covenants</b>	Term Out Option
	Target Company	<b>Expiration Date</b>
<b>*Measurement of Risk</b>	<b>Assignment Language</b>	<b>Facility Signing Date</b>
<b>S&amp;P Sr. Debt</b>	Law Firms	<b>Pricing</b>
<b>S&amp;P Issuer</b>	MAC Clause	<b>Base Rate(s)/Spread(s)/BA/LIBOR</b>
<b>Moody's Sr. Debt</b>	Springing lien	<b>Initial Pricing Level</b>
<b>Moody's Issuer</b>	Cash Dominion	<b>Pricing Grid (tied to, levels)</b>
<b>Fitch Sr. Debt</b>	Mandatory Prepays	<b>Grid Effective Date</b>
<b>Fitch Issuer</b>	Restrict'd Payments (Neg Covs)	<b>Fees</b>
S&P Implied	Other Restrictions	<b>Participation Fee (tiered also)</b>
(internal assessment)		<b>Commitment Fee</b>
<b>DBRS</b>		<b>Annual Fee</b>
Other Ratings		<b>Utilization Fee</b>
<b>*Industry Classification</b>		<b>LC Fee(s)</b>
Moody's Industry		<b>BA Fee</b>
S&P Industry		Prepayment Fee
Parent		Other Fees to Market
Financial Ratios		Security
		<b>Secured/Unsecured</b>
		Collateral and Seniority of Claim
		Collateral Value
		<b>Guarantors</b>
		<b>Lenders Names/Titles</b>
		<b>Lender Commitment (\$)</b>
		Committed/Uncommitted
		Distribution method
		<b>Amortization Schedule</b>
		Borrowing Base/Advance Rates
		New Money Amount
		<b>Country of Syndication</b>
		Facility Rating (Loss given default)
		<b>S&amp;P Bank Loan</b>
		<b>Moody's Bank Loan</b>
		<b>Fitch Bank Loan</b>
		<b>DBRS</b>
		<b>Other Ratings</b>

\* These items would be considered useful to capture from an analytical perspective

**EXHIBIT “J”  
LENDER COMMITMENTS**

<b>REVOLVING FACILITY</b>
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**For the period ending December 31, 2020:**

<u>Lenders</u>	<u>Commitment</u>	<u>Pro Rata Share</u>
Bank of Montreal	\$37,740,000	62.90%
ATB Financial (formerly Alberta Treasury Branches)	\$22,260,000	37.10%
<b>Total:</b>	<b>\$60,000,000</b>	<b>100.00%</b>

<u>Lender</u>	<u>Commitment</u>	<u>Swingline</u>	<u>Adjusted Amount</u>	<u>Proportionate Share</u>
Bank of Montreal	\$37,740,000	\$8,000,000	\$29,740,000	57.19%
ATB Financial (formerly Alberta Treasury Branches)	\$22,260,000	\$0	\$22,260,000	42.81%
<b>Total</b>	<b>\$60,000,000</b>	<b>\$8,000,000</b>	<b>\$52,000,000</b>	<b>100%</b>

**For the period commencing January 1, 2021 and ending on the Revolving Facility Maturity Date:**

Total Revolving Lender Commitments and proportionate share under the Revolving Facility:

<u>Lenders</u>	<u>Commitment</u>	<u>Pro Rata Share</u>
Bank of Montreal	\$31,450,000	62.90%
ATB Financial (formerly Alberta Treasury Branches)	\$18,550,000	37.10%
<b>Total:</b>	<b>\$50,000,000</b>	<b>100%</b>

Revolving Lender proportionate share of syndicated advances after adjusting for Swingline:

<u>Lender</u>	<u>Commitment</u>	<u>Swingline</u>	<u>Adjusted Amount</u>	<u>Proportionate Share</u>
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Bank of Montreal	\$31,450,000	\$8,000,000	\$23,450,000	55.83%
ATB Financial (formerly Alberta Treasury Branches)	\$18,550,000	\$0	\$18,550,000	44.17%
<b>Total</b>	\$50,000,000	\$8,000,000	\$42,000,000	100%

**TERM FACILITY**

Total Term Lender Commitments under the Term Facility:

[REDACTED – COMMERCIALY SENSITIVE INFORMATION]

<u>Lenders</u>	<u>Issuing Bank</u>	<u>Swingline Lender</u>	<u>Revolving Lender</u>	<u>Term Lender</u>
Bank of Montreal	Yes	Yes	Yes	No
ATB Financial (formerly Alberta Treasury Branches)	No	No	Yes	No

[REDACTED – COMMERCIALY SENSITIVE INFORMATION]